

**THE ADMINISTRATIVE SYSTEM  
OF THE EAST INDIA COMPANY**

**IN BENGAL : 1714-1786**

**VOL. I : POLITICAL**

**NIRANJAN DHAR**

## ABOUT THE BOOK

This book is the first part of the author's thesis (with some changes) approved for the D. Phil. degree of the University of Calcutta. It deals with the East India Company's own machinery as against that which it erected for administering the affairs of the people over whom it happened to rule.

A small group of merchants from a tiny island some thousands of miles away had come to India for trading purposes and eventually founded an extensive empire here. It is a romantic episode of human history which has been told and retold. But certainly no less fascinating is also the transformation of a private commercial service into an enlightened public service. The story of that transformation during a highly dramatic period of the Indian history has been told here with vividness.

This thesis has grown out of the author's painstaking research over a number of years. In it he has been able to throw substantially new light upon an important chapter in the constitutional history of India.

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The Administrative System of the  
East India Company in Bengal :  
1714-1786—Political.



of the  
Company in Bengal  
1750-1751



# The Administrative System of the East India Company in Bengal

1714-1786

Vol 1 : Political

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by

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*To the memory of my*  
MOTHER



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## FOREWORD

I welcome this readable and well-documented piece of work by Dr. Niranjan Dhar. It is chiefly based upon contemporary manuscript records and contemporary ( British ) Parliamentary Papers. It embodies the results of the author's prolonged and painstaking researches into an important period of Indian constitutional history. It presents, in a compact form, a large mass of useful information generally interpreted with ability, judgment and impartiality. In a sense, this work is a continuation of two works of mine, published many years ago, entitled *Early Land Revenue System in Bengal and Bihar, 1765-1772*, and *Early Administrative System of the East India Company in Bengal, 1765-1774*. As a matter of fact, the author undertook to carry on his researches into the period of Indian constitutional history with which his work deals, on my suggestion and under my guidance. On the whole, I consider this work to be a valuable contribution to the constitutional history of India during the period on which it dwells.

D. N. Banerjee

Retired Surendranath Banerjea Professor  
and Head of the Department of Political  
Science, University of Calcutta.



## PREFACE

The British conquest of India was manifold. That is why we find that the British rule in India is over, but not the British legacy. On the ruins of the Mughal administration the Britishers built up an administrative apparatus which was altogether different from all the preceding administrations both in form and spirit. Incidentally it has also come to be adjudged as one of the most excellent administrations of the world. In the post-independence period we have inherited this apparatus from our former conquerors. The impact of British ideas was felt in the sphere of administration before any other sphere.

The British administration in India was not, however, built in a day. It did not consist in the continued growth of national institutions. Nor did it develop in pursuance of a premeditated plan. The story of this administration is the story of a series of experiments made by foreign rulers in a strange land. These experiments were carried out under various stresses and strains and exhibited a considerable vacillation of purpose too. But still on the whole we find a steady advance towards the forging out of machineries for "securing justice and legislation". The story of these experiments has been told here vividly and as an integral part of a historical scene so that the present can be understood properly in the light of the past.

The task of evolving an administrative machinery devolved upon the East India Company at the outset. Generally new experiments were first tried in Bengal, the premier Presidency of the Company during the latter half of the 18th century, and subsequently the other Presidencies became the beneficiaries

of the results obtained there. The period under review, however, opened with the tacit assumption that the Company, mainly because of its commercial character, had so far failed to provide a fair and adequate administration for the people over whom they happened to rule. The first major Parliamentary interference in the Company's affairs in the shape of the Regulating Act rested on this admitted failure. England was then on the threshold of the capitalist development. Industrial capital was getting an increasing hold over the Parliament. With a view to insulating the home market against the inroads of foreign manufactures industrial capitalists started launching attacks against merchant capital concentrated in the East India Company. As England was at that time on the way to be the greatest power of the world, a note of optimism further coloured the intellectual life of her people. She was going to export not only her goods but also her ideas and institutions.

The period under review, though only of twelve years, constitutes, as a perusal of this thesis will testify, an important and interesting chapter in the constitutional history of India. The importance of this period requires a more intensive study of it than has hitherto been done and also a study from new directions. And exactly it is what we propose to do in this thesis with a special eye upon the subject as to how far the merchant-company, under the impact of the first major Parliamentary interference, could outgrow its commercial character and provide for the people of this country a system of administration which was both workable and English in character.

For the sake of the convenience of our study we have, however, split our subject into two parts—political and judicial, each part being self-sufficient by itself. The political part deals with the Company's own machinery of administration.



And in the judicial part we have endeavoured to see how far the Company's machinery had been able to provide adequate security and justice to the people, which is the acid test of any good government. As a matter of fact, the political part could have its justification only in the context of its achievements in the judicial sphere. The present volume is concerned with the political part of the Company's administrative system, the judicial part being kept reserved for treatment in the second volume. For the treatment of these two parts in two separate volumes I have to make some minor adjustments in my original thesis which has been approved for the D. Phil. Degree of the University of Calcutta.

Before I conclude, I must place on record my sincere gratitude to Prof. D. N. Banerjee, ( now retired ) Head of the Department of Political Science, University of Calcutta, under whose able guidance I worked upon this thesis. I am also grateful to Dr. C. H. Philips of the University of London for some valuable suggestions offered by him for the improvement of this work.

My sincere thanks are also due to the Director of National Archives, the Keeper of Records of the Government of West Bengal, the Librarian of the National Library and the Librarian of the Calcutta University Library and to the members of their staff for the various facilities they kindly extended to me in the collection of data for my thesis. In this connection I should also express my sense of obligation to Sri Rashbehari Saha of the Senior Basic Training College, Banipur, for placing at my disposal the library of the College which has an excellent collection of some rare books. Further, I must express my gratitude to my esteemed friend, Sri Sushil Mukherjea, for his taking keen interest in bringing out the book and seeing it through the press. I am also thankful to



the management of the Publicity Printers for the full co-operation I received from it in printing the book. My young colleague, Sri Asish Kumar Sen, has prepared the index of this book for which I must express my sincere thanks to him. Sri Jagadish Banerjee has designed the cover of the book, for which I am under a sense of great obligation to him.

Calcutta,  
July, 1964.

Niranjan Dhar.

## INTRODUCTION

### Historical Background :

The world witnessed two important geographical discoveries during the last decade of the 15th century. One was the discovery of a new world by Columbus, and the other was the discovery of a new route to an old world by Vasco da Gama. These two events had immediate tremendous significance for Europe. For these soon led to widespread colonisation and trade—colonisation in the thinly populated, underdeveloped, congenial America in the west and trade with the rich, thickly populated, tropical India in the east.

The prosperity of India was known to Europe from very early times. Particularly the Greeks and the Romans during their ancient glorious days were well acquainted with the Indian merchandise. But then there was hardly any direct link between the Indian and the European traders, the Arabs acting as intermediaries between them. With the discovery of the sea-route to India by Vasco da Gama in 1498, almost all the maritime European nations became immediately interested, and one by one they proceeded to establish direct trade relations with India—the Portuguese, the Dutch, the French and the English.

Nature has made England a sea-faring country since the dawn of her civilisation. She had built up her extensive foreign trade from early period. By the middle of the 16th century the English merchants had solidly entrenched themselves in this field and brought into being some five or six general



companies. The East India Company, though somewhat a late product of the time,<sup>1</sup> represented perhaps the most powerful concentration of British capital which had already consolidated its position in England through many and devious ways.

Actuated by the motive of reaping the maximum possible benefit from their ventures the merchant Companies, or at least the most typical of them, generally proceeded on the basis of acquiring and maintaining a monopoly both at home and in the trading countries. They were always conscious of the fact that competition tended to diminish profits. Simultaneously they endeavoured to get exclusive concessions and privileges for themselves from the Governments of the trading countries so that they could buy cheaper. This practice having not always proved feasible, the Companies were led to make attempts to acquire political control over these Governments and then dictated terms to them.

When the European Companies came to India for trading purposes, the Mughals were ruling at Delhi. India then excelled in some agricultural and industrial products all of which her internal market could not consume. India's trading class had then hardly any foreign trade to its credit. The land-routes were difficult and insecure. The surrounding seas were more advantageous for the purpose. But the Indian powers had not the requisite naval strength to extend protection to the merchant vessels against piracy to which the sea journeys were exposed in those days. So the Mughal

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1. For trading to the East Indies a company was first incorporated by Queen Elizabeth by Letters Patent in 1600. In 1698 a rival company was brought into existence. This gave rise to competition. So, within a period of seven years the two companies were amalgamated under the new title of 'The United Company of Merchants of England trading to the East Indies'. The shorter title of 'The East India Company' seems to be confirmed by 1833.

Emperors and their representatives in the different parts of the country as well as the Indian traders were glad to have European merchants among them and extended a cordial welcome to them. So long as the central Mughal authorities at Delhi were strong enough, these merchant Companies were kept under proper control.

But the situation underwent a radical change when the Mughal Empire began to disintegrate after the death of Aurangzeb, and a vacuum was created. In the past similar situations had almost invariably invited foreign attacks from outside. This time, however, foreigners were already there to take full advantage of the situation. A bid was made by the rival European Companies to fill this vacuum. A struggle for power ensued, out of which the English East India Company emerged victorious. As a distinguished historian has pointed out<sup>2</sup>, this political conquest might be unplanned but certainly it was not unpurposed<sup>3</sup>.

At first the Company did not want to undertake the political administration of the territories over which it had acquired control. It was then only interested in reaping economic benefit out of this control, and so far the administration was concerned, it sought to maintain the *status quo*. But a situation has a logic of its own. Things continued to take shape in these parts in such a way that, if for no other reason, at least for the sake of keeping alive

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2. Moon's Warren Hastings and British India, p. 2.

3. As trade flourished, the Company's ambition rose. Under the leadership of Sir Josiah Child who became a Director of the Company in 1674, the Company "began for the first time to rush impetuously after political importance and power".—Hunter's History of British India, Vol. II, p. 273.

In this connection it may be mentioned that by the Charter of 1661 the Company had already been empowered to make war and peace, and administer justice.



the swan which laid golden eggs the Company could no longer shirk the direct responsibility of administering them.

By the middle of the 18th century the Company had in its possession three extensive but separate territories in India known as Presidencies<sup>4</sup>—Bombay in the south-west, Madras in the south-east and Bengal in the north-east. Bengal<sup>5</sup> was the most important of these three Presidencies, its territory and resources being far greater than those of the other two. In times of emergency Bombay and Madras generally had to depend upon it for the supply of men and money. Besides, very often new administrative experiments used to be for the first time tried in Bengal, and the two minor Presidencies subsequently became the beneficiaries of the results obtained there<sup>6</sup>.

### How the situation developed in Bengal :

Bengal was a border-province of the Mughal Empire. After defeating Daud, the last independent Muslim King of Bengal, Akbar's General, Munim Khan, annexed it and a part of Orissa to the Mughal Empire in 1575. The governmental machinery that was then built up there was more or less of a

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4. These territories were called 'Presidencies' probably because of the fact that there was a President at the head of the administration of each of these territories.

5. The term 'Bengal' suffered from semantic difficulties. It had different denotations at different times. For our purpose the Presidency of Bengal meant the whole of the area which used to be governed by the Government at Fort William in Bengal and, in fact, comprised the provinces of Bengal, Bihar and Orissa. These provinces were formerly governed by the same Nawab. During the period under review, however, the Company had no administrative control over the province of Orissa except the district of Midnapore. The rest of the area was then under the domination of the Marathas and was brought under its control in 1803.

6. Cowell's Courts and Legislative Authorities, p. 5.

uniform Mughal pattern introduced at the centre as well as at the other provinces.<sup>7</sup> This pattern was composed of both Indian and extra-Indian elements.<sup>8</sup>

### Provincial diarchy under the Mughals :

Generally the Mughal Emperors used to appoint two officers to superintend the affairs of the province. One was the Subahdar<sup>9</sup> or the Nazim.<sup>10</sup> In the provinces he was popularly called the Nawab.<sup>11</sup> He was the "first officer" and the executive head and Viceroy of the province. The administration of criminal justice and the police fell within the purview of his department known as the Nizamat.<sup>12</sup> The other was the Dewan.<sup>13</sup> He was in charge of the financial administration of the province. After collecting all the revenues and defraying the expenses of the army and allowing a sufficient fund for the support of the Nizamat the Dewan was to remit the remaining portion of the revenues to Delhi or "wherever the king shall reside and direct."<sup>14</sup> He was also to administer civil justice in the provinces.<sup>15</sup>

Under Akbar the Dewan was subject to supervision by the Nawab. During the reigns of Jehangir and Shah Jahan

7 Sarkar's Mughal Administration, p. 47.

8. Ibid., p. 5.

9. The term 'Subahdar' comes from the Arabic word 'Sub' which means 'direction'. In early times the provinces of the Empire were named in accordance with their bearings towards the capital.

10. I.b., Governor.

11. It was derived from 'Naib', a word meaning 'deputy'.

12. Bengal Secret Consultations of 17th January, 1772.

13. The term 'Diwan' comes from an Iranian word connected with 'Dabir' meaning 'Writer'. The term was first used during the early period of Arab conquest in the sense of the public register of receipts and expenditure. Subsequently it was used to mean the officers of the Treasury.—Encyclopaedia of Islam vol. I, p. 979.

14. Bengal Select Committee's letter to Court of Directors dated 30th Sept., 1765, para. 22.

15. Bengal Secret Consultations, *ibid.*



the Dewana was made increasingly independent of the Nawab with a view to keeping a check on the latter. But taking advantage of the distractions of the state after the death of Aurangzeb, the Nawab assumed virtual independence of the Emperor and began to show only nominal and token obedience to him by remitting a stipulated amount to Delhi. He further managed to bring under his control the office of the Dewan.<sup>16</sup> The latter still owed his appointment to a commission from the Emperor. But the Nawab was powerful enough to procure it for his son or some other nearest relation, if not for himself.<sup>17</sup>

### Company's acquisition of the Dewani :

Such was the position when the English East India Company appeared on the political horizon of Bengal. It wanted to trade untaxed and eventually became engaged in a struggle for power against the Nawab. After the battle of Plassey in 1757 the Company virtually came to occupy the position of a Nawab-maker, though it had as yet no *locus standi* in the political life of Bengal from the constitutional viewpoint. In 1758 and again in 1761 the Mughal Emperor was pleased to offer the Dewani of Bengal to the Company. On both the occasions the latter refused to accept the offer lest it should give rise to the "jealousy and ill will" of the Nawab.<sup>18</sup> Besides, the Company was then "in actual treaty to support Meer Cossim", the then Nawab. So, to receive the grant of the Dewani would have amounted to perpetrating an act of hostility against him.<sup>19</sup> The real

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16. Saran's Provincial Government of the Mughals (1526—1628) p.281—282.

17. First Report from the Select Committee of the House of Commons, 1772, App. 12.

18. General Letter from Bengal to Court of Directors dated 31st December, 1758, para. 9; Ibid., dated 12th November, 1761, para. 58.

19. Bengal Secret Consultations of 20th February, 1765.

cause behind the refusal, however, seems to be that as a condition of granting the Dewani the Mughal Emperor demanded of the Company a price "that was thought by the Governor and Council more than equivalent to the advantage".<sup>20</sup> The situation underwent a radical change in 1765 when the Emperor himself was depending upon the Company for protection and subsistence. The question of monetary payment on behalf of the Company, therefore, did not arise. Instead of that, Allahabad with the surrounding districts was taken from the fugitive Nawab of Oudh and delivered to the Emperor. The Dewani was demanded as a price for the same. By this time Nazm-ud-Dowla had succeeded on the musnud of Murshidabad. So the treaty-considerations also did not stand in the way. The Company now sought the Dewani of the provinces of Bengal, Bihar and Orissa and was granted it on 12th August, 1765. According to the terms of this grant, the Company would remit annually a sum of 26 lakhs of rupees "to the royal sarkar". It would also have to provide for the expenses of the Nizamat. Whatsoever remained out of the revenues of these provinces after meeting these charges the Company would appropriate for the protection of the provinces.<sup>21</sup>

What would be the expenses of the Nizamat was settled by an Agreement between the Nawab and the Company on 30th September, 1765.<sup>22</sup> Under this Agreement the Nawab agreed to accept annually the sum of sicca rupees 53,86,181—9 as adequate allowance for the support of the Nizamat. The sum was apportioned under the following heads : (i) Rs. 17,78,854—1

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20. Bengal Select Committee's Letter to Clive dated 21st June, 1765—Proceedings of the Select Committee of 21st June, 1765.

21. Aitchison's Collection of Treaties, etc., Vol. 1. The acquisition of the Dewani by the Company had, however, no immediate effect on the ceded lands, viz. Chittagong, Burdwan and Midnapore. Grant's Analysis of the Finances of Bengal, Fifth Report of the Select Committee, 1812, p. 336.

22. Aitchison, *ibid.*



towards meeting all his household expenses, etc., and (ii) Rs. 36,07,277—8 towards meeting the maintenance-costs of such horses, sepoy, peons, burcandazes, etc., as were thought necessary for the support of his dignity only.

The Nawab thus not only parted with his authority as Dewan but also he became a stipend-holder of the Company. The management of his household-affairs and the administration of criminal justice were, no doubt, retained to him. But here also the Nawab was made to accept a nominee of the Company as "Naib Subah and guardian of his household during his minority." The military defence of the country was also handed over to the Company. As a result, the Nawab was divested not only of the Dewani portion of his administrative authorities but also of some other vital powers that he was to enjoy in the capacity of the Nizam of the provinces so that he could no longer harm the interests of the Company. The original provincial diarchy, though in a somewhat modified form, was thus restored.

### **Dual character of the Company's administration :**

With its position thus consolidated in the political life of the area the East India Company became the *de facto* ruler of Bengal. Particular as the Dewan of Bengal, Bihar and Orissa it became responsible for the due administration of the civil government of the provinces. From the very nature of the case, however, the Company was hardly fit to play its new role properly.

As a trading corporation the Company was interested in making maximum profit. In fact, it proceeded to acquire territories because, among other things, it could give it certain clear advantages for carrying on its trading exploits. But as a ruling concern it must look to the well-being of people. The two roles could hardly go together. The Company was in the position of the proverbial two-mouthed bird whose one mouth acted against the other.

Thus we find that for some time after the acquisition of the Dewani, the Company was only interested in appropriating the revenues of the country, which were almost exclusively utilised for financing its investments. It would not then even take the responsibility of collecting the revenues, not to speak of administering the country. When the Company was at last led to undertake the task of administration, its commercial character stood in the way of its evolving an adequate and honest machinery. The revenues of Bengal continued to be applied for financing its investments, as a result of which the governmental machinery could not get enough to feed upon.

The servants of the Company were still ill-paid, and as a compensatory measure they were made to engage in commercial transactions on private account. Even the limited administrative machinery that the Company succeeded in building up in Bengal was primarily pragmatic in character. Much depended upon the exigencies of the situation. It is true that the Company at its early stage laid down certain fixed salutary principles of a public nature<sup>23</sup> to govern its commercial transactions. These rules were subsequently applied to the administration of its territorial possessions also. Hardly any fixed and elaborate rules for constituting the different Governmental organs and also for running the Government were, however, evolved after the requisition of the Dewani. The system it sought to build up was however essentially not an impersonal system, the powers and conditions of service often varying from person to person. As has been observed by Hastings in a letter to the Court of Directors, "our constitution is nowhere to be traced but in ancient charters which were framed for the jurisdiction of your trading settlements, the sale of your

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23. Subservience of the Military to the Civil Government, Committee way of doing things, majority-rule, seniority as a basis of promotion, etc. are some such principals.



exports, and the provision of your annual investment." Evidently this was not a suitable condition to meet the new situation born of the acquisition of a large territory.

**Parliamentary intervention:** Ultimately the British Parliament had to intervene. This intervention was based on the assumption that, so far as the territorial part of the Company's administration was concerned, it should act as a trustee on behalf of the Government of England.<sup>24</sup> Under the impact of the Parliamentary intervention the commercial service and administration of the Company started undergoing a qualitative change and rapidly transforming itself into a public service and administration. The Regulating Act of 1773 represented the first significant step on the part of Parliament towards that end, and so the administrative set-up created by the Act occupied the first important stage in that process of transformation. To view our subject in a proper perspective we should keep in mind the transitional nature of the period.

For a clear understanding of the whole situation, the circumstances that ultimately led to the Parliamentary intervention may, however, be briefly stated here.

Indian affairs used to be continuously before Parliament from long before the passing of the Regulating Act. The relation of the Company with the British Government over the former's *de facto* rule in Bengal, the abuses of this rule and the monopoly of trade enjoyed by the Company were some of the issues which then greatly agitated the minds of the British people. It had its

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24. The principle enunciated in this connection by Burgorne and accepted by the House of commons was—"That all acquisitions made under the influence of a military force or by treaty with foreign princes, do of right belong to the State". Cobbett's Parliamentary History, etc., Vol. XVII. P. 856.

reflection in Parliament too. Occasionally the Parliament had also exacted monetary tributes from the Company. But till the passing of the Regulating Act nothing very particular had been done by the British Government to control the Company's affairs. By 1770, however, certain developments had taken place both in England and in India, which hastened the administrative interference on the part of Parliament in the shape of 13. Geo. 3, C. 63, popularly known as the Regulating Act.<sup>25</sup> These developments are stated below.

In March, 1772, the Company declared dividend at as high a rate as 12½p.c. But in the month of August of the same year it, though only recently helped by the Bank of England was compelled to apply to Parliament for a loan of £ 1,000,000. This proved that there was hardly any justification for the declaration of the dividend in March. It was, therefore, found necessary to reform the Company's home administration so that henceforward it might develop a more responsible attitude towards its affairs.

Among other things,<sup>25</sup> what immediately led to the Parliamentary intervention is that a devastating famine broke out in Bengal in 1769-70, while the Company's servants continued to return home from there with fabulous riches. The situation was rendered all the more intriguing because the financial position of the Company itself was very bad. It showed that things were not going well with the Company's administration in Bengal. A Select Committee soon followed by a Secret Committee was appointed by Parliament in 1772 to inquire into the affairs of the Company's Bengal administration. The

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25. An abstract of the main arguments produced in the debate upon the Regulating Bill and other connected proceedings to be found in the Annual Register for 1773, Ch. VII, pp. 95-108.



reports of both the Committees were highly condemnatory and emphasized the acute necessity of executing certain reforms in this administration. In the words of Burke, relief and reform must go together.

Two Acts were now passed by Parliament. By one the Company was granted a loan on certain conditions, and the other was the Regulating Act. Its purpose, as we shall see later on, was only to influence and control. Locke was then a prophet in England. Among other things, the 18th-century tradition of the sacredness of property stood in the way of Parliament's abrogating the chartered rights of the Company and directly assuming the task of governing the Indian territories.

**Scope of our study :** The period under review comprises nearly twelve years. It began with the inauguration, in Bengal, of the Regime under the Regulating Act and ended with its replacement by that under Pitt's India Act. The Regulating Act was originally meant to last only for five years. In terms of an Act of 1744, the Company's privileges, unless definitely extended, were to cease from the year 1780. The Regulating Act and the administrative set-up brought into being by it were originally meant to cover a period roughly upto this, in course of which certain over-due reforms were to be carried out in the body politic of the Company. But by 1779 the British Government became so very busy with the international situation and the American affairs that it could hardly manage to turn its attention towards India. So, in 1779 and again in 1780 the Regulating Act was each time given a fresh lease of life for one year only. Simultaneously the period for which the Company's privileges were granted was also extended. In 1781 Parliament further extended the Company's privileges to three years' notice after 1st March, 1791 and amended some of the provisions of the Regulating Act for coping with some

of the difficulties experienced in course of the working of the Act. In 1784 Pitt's India Act was passed<sup>26</sup>. But it could not be properly enforced in Bengal till the arrival of Cornwallis in 1786. Only those provisions of the Act which dealt with the home administration were made effective almost immediately after its enactment. Thus we see that so far as Bengal was concerned, it was the Regulating Act which remained operative for the whole of the period under review.

In the following pages we shall try to see how far the Company, thus aided by the British Parliament, succeeded in building up in Bengal an administrative machinery, which if not entirely English in character, was at last adequate and responsive to the needs of the people, in course of this highly significant period of twelve years. For the convenience of our study we shall split the subject under the following heads :—

(A) **Home Administration :** The subject of our study is the administrative system of the East India Company in Bengal. But the Bengal administration was a subordinate branch of the Company's administration in England which used to give shape to its structure and policy<sup>27</sup>. For a proper understanding of the Company's administration in Bengal, we should have some basic idea about how the Company's home administration was run.

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26. 24 Geo. III. c. 25. The circumstances that led to the passing of Pitt's India Act were almost similar to those before the Regulating Act. In 1781 two enquiry Committees were appointed by the House of Commons—a Select Committee to enquire into the administration of justice and a Secret Committee to enquire into the Causes of the Carnatic War. The reports from both the Committees were highly unfavourable, and it came to be generally felt that the Regulating Act had failed. In 1783 the Company was compelled to petition for relief. As reform should accompany relief, Parliament passed Pitt's India Act in 1784.

27. Unlike all previous foreign conquests, parts of India were now brought under Governments which had their administrative gravity outside the country.



In the very first Chapter of our thesis we shall deal with the company's home administration and shall see how far it could outgrow its commercial character, thus giving a proper lead to the Bengal Government in discharging its new role emanating from the acquisition of an extensive territory.

**(B) Top Political Administration :** The Governor-General and Council stood at the apex of this administration. They were granted a limited supervisory role over the other two Indian Presidencies and empowered to legislate for the good government of this Presidency within the framework laid down by the British Parliament and the Court of Directors. They were responsible for the posting and promotion of the Company's civil servants on the establishment of the Bengal Presidency. The revenue-administration was their handiwork. They erected Courts and framed rules for the administration of civil justice. They also built up a police-administration for the Metropolitan Town of Calcutta, and exercised control and supervision over the Nizamat too.

Owing to the importance of this Council in the total administrative set-up we have devoted as many as three chapters to the consideration of its different aspects.

The second chapter of this thesis deals with its powers and positions vis-a-vis the other administrative bodies ; the third chapter with its relation with the Governor-General who constituted the head of the administration, and the fourth chapter with its constitution and office-organisation.

**(C) Civil Service.** The fifth chapter of our thesis deals with the Company's Civil Service which supplied manpower for all the different fields of administration—political, judicial and fiscal. The civil servants virtually constituted so



many arms of the Governor-General and Council. The latter framed their policy on the basis of the informations supplied by these servants who again were the instruments through whom that policy was implemented. In fact, the members of the Council themselves formed a part of this Civil Service.

In this chapter an attempt has been particularly made to show how far the Company's servants who were originally all merchants succeeded in transforming themselves into public servants during the period under review, i.e. to say, how far their intellectual and moral equipments and conditions of service enabled them to discharge their public duties satisfactorily.

**(D) Revenue Administration :** It is a regular supply of public revenues which keeps a governmental machinery working. But to build up a revenue-machinery in a foreign country was one of the most difficult tasks that the Company had to undertake. It required a detailed knowledge of many intricacies which were not easily accessible to its servants who were not only new to the work but were also quite ignorant of the languages, customs, rights, etc. of the Indian people. The result was that the Company's Government had to grope in the dark and had to make a series of experiments to find out the right way.

We have described in the sixth chapter the revenue-administration that the Company built up in Bengal during the period under review and have tried to see how far it succeeded in drawing water out of the sponge without letting it go dry.

### **Immensity of the task of the Company :**

To build up an Empire was, no doubt, a difficult task. But surely no less difficult was the task of placing it on a

sound footing after having come by it. The administrative problem that faced the Company during the period under study was largely similar in nature to that confronting King Henry VII of England, from whose times the modern period was understood to have been ushered in there. The war of Roses was just over. There was complete chaos and disorder. The collection of revenue was also very irregular. Dark forces were abroad. A strong administrative machinery would have to be created for maintaining peace and discharging other essential Governmental duties. The situation that emerged in India in the wake of the disintegration of the Mughal Empire was no less serious. So the Company was required to reclaim, renovate and add.

And this had to be done in an alien country whose languages, customs and manners were quite unfamiliar to them and with the help of people originally recruited for commercial depots and counting houses. There was also no precedent to draw upon. The Company had to proceed mostly on the method of trial and error. The accomplishment of the task that confronted it almost verged on a miracle. And this miracle had been performed mostly through the administrative zeal, organising ability and sense of discipline of its servants. The quality of local leadership was also great. It knew how to subordinate private interests to the cause of the nation. The Governmental structure that the Company gradually succeeded in building up in Bengal was indeed "a miracle of organisation".

The king in Parliament, the Court of Directors, the Governor-General and Council, and the country government all co-operated and combined to erect this administrative structure in Bengal during the period under review. In a way it resembled a weaverbird's nest. Materials were collected from various sources and then woven into a common fabric.

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## CHAPTER ONE

### Home Administration :

Before we start to describe the administrative system in Bengal, we shall do well to give a brief outline of the Company's home administration. While doing this, we shall see how far it could outgrow its commercial character and thus provide an effective guidance to the Bengal Government in discharging its newly acquired political role during the period under review.

#### Earlier Position :

When the old and the 'new' Companies were amalgamated into the United Company of Merchants of England, one of the main problems for the newly constituted Company was to draw up its constitution. This problem was solved by effecting a compromise. Broadly speaking, the constitution of the newly constituted Company came to be based on that of the old Company but nomenclature and some special provisions were borrowed from the 'new'.<sup>1</sup> The constitution thus provided was essentially that of a merchant company.

Under the constitution there were two bodies for the administration of the Company's affairs. One was the General Court of Proprietors, and the other was the Court of Directors.

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1 Sutherland's East India Company in 18th Century Politics, p. 15.



### (a) Court of Proprietors :

The Court of Proprietors was the supreme authority for the administration of the affairs of the Company. It elected and removed Directors and had the power to reverse their decisions, although, unless there was a very strong motive for acting otherwise, it generally accepted the leadership of the Court of Directors. Moreover, it possessed all the legislative powers which the Company had acquired under the Royal Charters.

There were at least four meetings of the Court of Proprietors in a year, but the Directors could summon its meeting "as often as they shall see cause." The Directors were further required to call its meeting within ten days of a requisition from at least nine 'duly qualified' Proprietors. The Court of Proprietors, however, being not in continuous operation, was not in a position to exercise control over the day-to-day affairs of the Company.

All questions in the General Court used to be decided by a majority of votes. The Chairman of the Court of Directors presided over all the meetings of the General Court. In case of a tie, it would be decided by a lot.<sup>2</sup>

### (b) Court of Directors :

The Court of Directors was the executive committee of the Company and consisted of twenty four members. The Directors were elected for one year only by the General Court of Proprietors from among its members by a majority of votes. The Court of Directors was also to act according to the directions of the latter. But it being in continuous operation, its impor-

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<sup>2</sup> Auber's Analysis of the Constitution of the East India Company, pp. 349-353.

tance was greater from the administrative point of view. Every Wednesday there used to be a meeting of the Court of Directors. Often it would, however, meet three times a week. Besides, the Court of Directors could strengthen its position with the support of interests dependent upon it.

Any thirteen of the twenty four Directors would be sufficient to constitute a Court. All despatches from India were also read and signed by at least thirteen Directors.

A Royal Charter authorised the Court of Directors to appoint Sub-Committees from among its members to facilitate the execution of business. It was the practice with the Court of Directors to constitute its Committees after the annual election. Originally these Committees were of Accounts, Buying, Shipping, Treasury, Warehouses, Private Trade, Correspondence and Law-Suits. In 1771 a new Committee for the Management and Application of the Military Fund was added to this list.<sup>3</sup> The very names of the Committees indicated their essentially commercial character.

Of these Committees mentioned, the Committee of Correspondence was the most important, and the rest were "secondary and subordinate".

Among other things, the Committee of Correspondence was "to study the advices from India, and to prepare answers for the inspection of the Court of Directors", and "to report upon the number of servants, civil and military, in the different stations abroad ; on the demand for alterations, and the applications made for leave of absence, or leave to return". All complaints and pecuniary demands on the Company were also decided by this Committee.

There was also another Committee of the Court of

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<sup>3</sup> Auber, *ibid.*, P. 182.



Directors called the Secret Committee or the Committee of Secrecy.<sup>4</sup> Frequent references of this Committee were found in the letters from the Court of Directors to the Government of Bengal. It generally dealt with matters requiring secrecy. Apart from the safety of the "outward and homeward bound ships", it dealt with the foreign and political affairs of the Company. For our purpose we may note that the Committee of Correspondence took cognizance of the political affairs of the Company which did not require secrecy, while the Secret Committee dealt with such political affairs as deserved secrecy.

It should be mentioned in this connection that though the Ministry had already started acquiring influence in the home administration of the Company, the constitutional participation of the British Parliament in it was still conspicuous by its absence.

#### During the period under review :

By passing the Regulating Act the British Parliament sought to improve upon the Company's home administration too. Among other things, it guided the Bengal administration. If it did not function properly and gave wrong directions to the latter, everything would be spoiled.

While going to reform the home administration, the Parliament had two things in view—the economic interest of the Company and its political responsibilities. So far as the economic interest of the Company was concerned, it sought to safeguard them by reforming the Company's home machinery, and in this matter the principle it followed was more or less the same as that generally applicable to bodies like the Bank of England.

4. For the origin of the Committee see Philip's East India Company, pp. 9-10.



The ordinary stock-holders of the Company had so far proved to be the devil of the drama. All along they had clamoured for profit and hardly paid much attention to the long-term interest of the Company. Particularly since the acquisition of the Dewani in Bengal, their appetite for profit had increased much. Besides, any Proprietor could attend the meeting of the General Court, and a Proprietor possessing 500 pounds stock for six calendar months were entitled to vote. This property qualification was comparatively low, and there was also much scope for collusive transfer. Such Proprietors could not have sufficient stake in the well-being of the Company and could not often behave in a responsible way. They even did not hesitate to extend protection to the guilty servants of the Company. On the other hand, the Directors were elected annually. This tended to weaken their authority and further rendered them incapable of taking a long-term view of things and following a consistent policy.

### **Company's machinery reformed :**

The Regulating Act sought to remove some of these glaring defects of the constitution of the Company's home administration. Thus the minimum qualification for a voter in the General Court was raised from £500 to £1000 stock, and the period for which this stock should have to be held was extended to a period of twelve months. The privilege of voting was then increased in proportion to the stock held by a party, the maximum being four votes allowed to a Proprietor possessing 10,000 stock. Provision was also made against collusive transfers. <sup>5</sup>

The necessary qualification prescribed for admission to the Court of Directors was the possession of £ 2,000 Indian stock. With a view to giving stability to its measures the Act instituted a system of election whereby six Directors would be chosen every year to replace six retiring Directors, the latter not being eligible for re-election till the following year. Each Director was thus to hold office for four years and went out by rotation for one year. <sup>6</sup>

These reforms were good so far as they went. But in fact it did not go far enough. Against the rampant corruption of the Court of Proprietors, the raising of stock-qualifications did not prove effective. The Company's servants returned from India in a constant flow, and their ability to purchase the highest qualifications for themselves, their agents and dependents could not be doubted. Besides, the relation between the Court of Proprietors and the Court of Directors, already not very happy, deteriorated further, and not infrequently they came to cross swords. The general body of Proprietors resented very much the Parliamentary interference which had been immediately occasioned by the appeal of the Court of Directors to the Parliament for a fresh loan. They thus became angry both with the Government and the Court of Directors.<sup>7</sup> While the Ministerial influence over the Court of Directors had been increasing for some time past, the Court of Proprietors fell an easy prey to the demagogic leadership of some of the prominent opposition members of Parliament. On more than one occasion, the Court of Proprietors defeated the purpose of the Court of Directors and became more violent when it thought that on some vital right or interest of the Company the Directors were yielding ground to the Government.

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6. Section I.

7. See the letters printed in an appendix of Weitzmann's *Warren Hastings and Philip Francis*, pp. 213-214.



The Committees in which the Court of Directors used to transact business remained substantially the same, even after the Company had become a territorial power. Some millions of people had now been entrusted to its charge. It would have to look to their well-being and provide a sound administration for them. This undertaking of new responsibility ought to have its adequate reflection and recognition in the arrangement of its work. But nowhere was it to be found. Only in 1781 a new Committee, the Committee for Government Troops and Stores, was added to the existing ones.<sup>8</sup> It was created for carrying into effect the provisions contained in 17th and 24th Sections of the Act of the 21st Geo. III, Cap. 65.

The very names of the Committees continued to betray their commercial character. The division of its commercial business was no doubt elaborate, but it was clumsy. This was due to the fact that the division of the Court of Directors into Committees had originated in the division of patronage rather than of business. The political business of the Company was conducted only as an appendix to its commercial business.

### Parliamentary Supervision :

In order to enable the Company to discharge its political responsibilities more satisfactorily reliance was placed, under the Regulating Act, upon Parliamentary supervision over the Company's administration. Thus the first appointments to the Council were made by Parliament. These appointees would hold office for the term of five years, i.e., the duration of the Act itself and would not be removable in the meantime except by the King upon representation made by the Court of Directors. At the expiry of this period in course of which the house was expected to be set in order, the power of nomina-

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<sup>8</sup> Auber, *ibid.*

ting and removing the succeeding members of the Council would again devolve upon the Court of Directors subject to His Majesty's approval.

The other part of Parliamentary supervision was secured by way of inspection over the Company's correspondence. It was thus provided that (i) a true and exact copy of such parts of the Company's correspondence from India as related to the civil and military affairs of the Company was directed to be laid before the principal Secretaries of State within fourteen days of the receipt of the same, and, (ii) a true and exact copy of such parts of the Company's correspondence as related to the management of the revenues was to be laid in like manner before the High Treasurer or Commissioners of the Treasury.<sup>9</sup> This Parliamentary supervision was very limited in nature. It could thus only inspect but could hardly guide. The Company's own machinery thus had more or less a free hand in all its affairs. Nor this machinery, though reformed, was found to work with a greater sense of responsibility.

Thus we find that appointments given by the reformed Court of Directors to subsequent vacancies in the Council of Bengal were not very happy.<sup>10</sup> Almost all of them so appointed were erstwhile servants of the Company, and the service-records of most of them were quite unclean. Evidently the Court attached scant importance to the reputation and incorruptibility of public servants. This was perhaps due to the fact that it has not yet been able to survive the tradition of an age when it was purely a commercial organisation. What is, however, intriguing was that on each occasion the consent of the King was had for the mere asking for it. There was no provision for carrying to him, along with the nomination,

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9. Sections IX and X.

10. Appointments of Macpherson and Stuart were prominent instances. See the Third Report and Appendix 3A of Ninth Report of Parl. Sel. Committee, 1782.



the particulars regarding the careers of those who had been in the service before. This lack of information could not enable the Ministers to exercise satisfactorily the intended power of control over the subsequent appointments in the Council.

As for the removal of a member of the Bengal Council, the concurrence of the Ministers of the Crown and of the Court of Directors was required. But the prevalence of Indian factions in the Court of Directors and in the Court of Proprietors, and, sometimes in Parliament itself, was likely to render this concurrence extremely difficult. In this respect Parliament was rendered all the more impotent because the first step toward such removals should have to be taken in the Court of Directors which was again subject to the control of the Court of Proprietors. A concrete instance will make the thing clear.

After the reports of the Parliamentary Select and Secret Committees were out, an attempt was made by the Ministry to recall Hastings in 1782. For this purpose initiative was to be taken by the Court of Directors. The smaller size of the General Court and the four-year tenure of the office of the Directors made the problem of their 'management' by the Treasury comparatively easier. The Ministerial control was, however, more effective over the Court of Directors than over the Court of Proprietors. The Ministry somehow managed to make the Court of Directors fall in line, and a resolution to move the Crown to recall Hastings was at last passed in the Court of Directors. But Hastings was an idol of the majority of the Proprietors of the Company. The Court of Proprietors consequently asserted itself and over-ruled the resolution of its executive body. Such an attempt to remove Hastings from the office of the Governor-General was similarly frustrated also in 1776 on two separate issues.

The Ministry's power to inspect the Company's correspondence could not also be effective as it was enabled to inspect only one part of the correspondence, i.e., that part which was received in England. But what went outward remained outside the purview of its inspection. The Ministry's knowledge of the Indian affairs could not but be, therefore, very imperfect and unsystematic, and even that limited knowledge could not be applied in practice because it was not authorised to advance or to retard any measure taken by the Court of Directors. This defect was, however, subsequently rectified by Parliament in 1781 when it granted the right to scrutinize and, if necessary, to reject letters which the Company proposed to write. This at long last turned the right to be informed into something effective.

But the practical difficulty was that in the Ministry there was no one exclusively meant for Indian affairs. It is true that Robinson at the Treasury used to scrutinize mostly the correspondence of the Company. Charles Jackson assisted him. But both of them were hard pressed with many other duties and could not, therefore, afford to give continuous attention to the Indian affairs.

### **Board of Control :**

It was Pitt's India Act of 1784 which tightened the Parliamentary control over the Company's home administration. It was now put in a position to guide the politics of India without interfering much with the Company's patronage. This pattern of relation between the Government and the Company lasted with minor adjustments till 1858.

Under the Act the Parliamentary control was to be exercised through a Statutory autonomous board called the



Court of Commissioners but popularly known as the Board of Control. It was to be appointed by the Crown and was to consist of one of the Secretaries of State, the Chancellor of the Exchequer and four other members of the Privy Council. According to the Act, the Secretary of State and, in his absence, the Chancellor of Exchequer would preside over the meetings of the Board.<sup>11</sup>

The Board of Control was empowered "to superintend, direct and control all acts, operations and concerns which in anywise relate to the civil or military government or revenues of the British territorial possessions in the East Indies".<sup>12</sup> The Board would have access to all the relevant papers of the Company for this purpose. And the Court of Directors was to duly comply with all its orders on the civil or military government and revenues of India.<sup>13</sup> The commerce of the Company was, however, left untouched.

On 31st August, 1784, the King appointed the members of the Board of Control, of whom Dundas was one. The Board held its inaugural meeting on 3rd September. But, excepting Dundas, other members of it soon either resigned or lost all interest in the Indian affairs. So the leadership of the Board automatically passed to Dundas. Temperamentally also he was fit to assume this role.<sup>14</sup>

With the institution of the Board of Control the Court of Proprietors was almost reduced to a cipher. Its power to elect Directors had already been more or less formal, the Court of Directors being mostly co-optive in nature. The new Act

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11. Sec. 5.

12. Sec. 6.

13. Sec. 2.

14. Philips, *ibid.*, Ch. II.

further enhanced its importance because it could no longer veto a proposal put forward by the Court of Directors and approved by the Board of Control.

The Board also continued the policy of Robinson of North's administration to create a strong Ministerial party inside the Court of Directors. After the death of Sullivan in February, 1786, the Board became more aggressive towards the Court of Directors. In case of a dispute between the two bodies the Court of Directors could, of course, appeal to the Privy Council. But again the Commissioners of the Board were all members of it. The Court of Directors, therefore, had no respite but to submit to the Board. Before any official communication took shape on any measure many things would have been settled by private parleys arranged between the "chairs" and Dundas.

Pitt's India Act left the patronage of the Court of Directors almost untouched. Under the Act the Court of Directors was to make nominations to some superior posts like those of the Governor-General and the Commander-in-Chief subject to the approbation of the Crown.<sup>15</sup> In practice, however, these nominations were usually made by the Crown. Besides, the Ministry exercised some influence over the appointments of the members of the Councils of Bengal, Bombay and Madras. Except this limited field the Board of Control did not interfere with the patronage of the Court of Directors. Courtesy, however, led the latter to apportion a part of its patronage to the members of the Board of Control.

#### Re-organisation of business :

After the passing of Pitt's Act in 1784 an attempt was also made to re-organise the Committee system of the Court of Directors to enable it to play its political role more effectively. The Secret Committee of the Court, though long in

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15. Sec. 22.

The approbation of the Crown was dispensed with in 1786.



existence, was given Statutory recognition for the first time by the Act. The Committee was now made the channel through which secret correspondence passed between the Board of Control and the Governments of India.<sup>16</sup> The "chairs" and one other senior Director generally served on it. Excepting this, the Act did not disturb the existing division of the Company's business.

In 1785, however, the Court of Directors took steps to simplify the clumsy division of its business. Thus the twelve Committees ( the Secret Committee being excepted ) were now divided into three classes. The first class included the Committee of Correspondence, Treasury, Law-Suits and Military Fund. It was the most important class from the political viewpoint. The remaining Committees were divided into two other classes. One class took charge of the Company's commerce and the other dealt with its Shipping.<sup>17</sup>

Such was the set-up of the Company's home-administration during the period under review. With the Parliamentary participation it became increasingly fit to play its political role. But still its effectiveness to guide the Governments of India could not be much owing to the great distance that separated England from India with no quick means of communication to cover it. On the other hand, events continued to take place in India in quick succession. So it rarely occurred that instructions from home could reach India before the time for acting upon them was gone by. But even then we should not be led to minimise the importance of the home administration. Its considered opinions upon the proceedings of the Indian Governments might at least serve as rules for the future guidance of their servants abroad.

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16. On its pattern Dundas evolved in April, 1785, a more or less informal body called the Secret Board of Control.—Philips, *ibid*.

17. Philips, *ibid*.

## CHAPTER TWO

### Political Administration

#### The Council—its powers and position

In this Chapter we shall deal with the powers and position of the Governor-General and Council which stood at the apex of the Company's political administration in Bengal. Subject to the control of the Company's home administration and with the help of a group of civil servants this body would administer the Company's political affairs in the comprehensive sense of the term.

#### Historical Background :

By the middle of the 17th century the Company established some factories <sup>1</sup> in Bengal, the more important of which used to be administered by a Chief and Council of Factors. The entire group of factories was called a Settlement. Except when Madras was given a control over it, the Bengal Settlement used to be ordinarily governed by an Agent and Council with their headquarters at Hooghly. Hooghly was afterwards deserted in favour of Calcutta owing to, among other causes, its greater suitability as a trading centre. The Zamin-dary of Calcutta was purchased in 1698, and the factory here was fortified to guard against a local rebellion in 1796. The fortified factory was designated Fort William after the name of King William III, the then reigning King of England, and the status of the Bengal Settlement was raised from an Agency to a Presidency with a President or Governor and Council as

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1. The term is derived from the word 'factor' which means a certain category of the Company's servants.



its head.<sup>2</sup> Fort William became the seat of the Government of this Presidency. Originally commerce constituted the sole function of this Government, but after the acquisition of some territories, it was called upon to perform the necessary political duties as well. There was as yet no differentiation of functions between the executive and the legislative functions of the Government. The Governor and Council discharged both the functions subject to the control of the home authorities. They occupied the supreme position both in the civil and military affairs of the Company in Bengal.

By the Royal Charter of 1726 authority seems to be first given to the Governor and Council of Bengal to make bye-laws and ordinances subject to the confirmation of the Court of Directors. A new Charter was granted in 1753. This Charter again authorised the Governor and Council of Bengal to make bye-laws, etc., for the good government of the town of Calcutta and places subordinate to Fort William. They were further authorised "to impose reasonable pains and penalties" upon those persons who would offend against the same. The bye-laws, etc., should have to be confirmed by the Court of Directors and must be agreeable to reason and not contrary to the laws of England. Similar Commissions were time to time granted by the Court of Directors also to the Bengal Council on the strength of Royal Charters granted to the Company.

The President and Council, however, worked under two limitations. The first limitation was when there would be attacks by an enemy, during which period the sole power as

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2. The title of President was first given to their Chief by the factors at Surat in 1616 to put him on the same level as the head of the Dutch factory and presently came into official use. The designation of Governor came to be used in the different Presidencies at different dates—1682 in Bombay, 1684 in Madras and 1700 in Bengal—Blunt's I.C.S., pp. 14-15.

regards defence should devolve upon a Military Government. It would consist of the President, the Major, the Engineer, the Master Attendant and the next most capable military officer to be appointed by above-mentioned persons.

The second limitation was when a Select Committee was appointed by the Court of Directors. The Council being an unwieldy body, the need of another institution was sometimes keenly felt to expedite matters, to cope with emergency situations and also to deal with secret affairs. The Select Committee was first instituted in 1756 to satisfy this need. It was not meant to be a standing organ of the Government, though, in practice, it continued to be so. The Committee was, however, never given upper hand over the Council except during the second term of Clive's office ( 1765-1767 ) when not only its members were nominated by him but also it was invested with extra-ordinary powers to meet the extra-ordinary situation then prevailing in Bengal.

Subject to these two constitutional limitations, the President and Council proceeded to provide for a good government in this Presidency after a good deal of hesitations. It, however, appears that the authority for undertaking this task was derived not only from the British Crown and Parliament but also from the grant of the Mughal Emperor. We may also say that this authority was inherent in any Government.

#### During the period under review :

The Governor-General and Council appointed under the Regulating Act just stepped into the place of the Governor and Council and the Select Committee of the earlier regimes. The new Council, as we shall presently see, was granted *external* authority which the earlier Councils did not possess. This was signified by adding the term "General" to the designation of the alleged head of the administration.



But so far as the *internal* political life was concerned, it occupied a position almost similar to that of the preceeding Councils. Thus, the 7th Section of the Regulating Act vested in the Governor-General and Council the whole civil and and military Government of the Presidency of Bengal "in like manner, to all intents and purposes whatsoever, as the same now are, or at any time hithertofore might have been exercised by the President and Council or Select Committee." In addition, Section 36 of the Act specifically granted legislative competence to the Governor-General and Council.<sup>3</sup> The words used in this connection were more or less similar to those of the Royal Charter of 1753 from which the earlier Councils derived their legislative authority. Besides, like the former Councils, the new Council was also an legislative-cum-executive body.

But, as contrasted with its predecessors, the Council under the Regulating Act was meant to play a more effective role in the political life of the country. Formerly the Council was a large body. As, along with the political affairs of the Company it was also to manage its commercial affairs, many of its members used not to live at the Presidency town, they being mostly appointed to act as the Chiefs of the 'Subordinates' and of the factories where they became engaged in their private trade too. Their pre-occupations there often prevented them from attending the Council-meetings, and even when any of them attended, he could not fruitfully participate in its deliberations because of his being completely out of touch with the developing situation. As we have already seen, the ineffectiveness of the Council oftener than not necessitated the creation of a smaller body called the Select Committee.

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<sup>3</sup> There was a controversy among the constitutional experts about the scope of these two Sections of the Act. The first Report from the Parliamentary Select Committee on Indian affairs, 1782, has discussed comprehensively their legislative implications.

The membership-strength of the new Council was much reduced, and none of its members was required to live at any of the outstations of the Company. Ample emoluments were now provided for them, and they were altogether debarred from engaging in private trade. Nor were they required to carry on the Company's trade which had now been almost entirely entrusted to a newly created body called the Board of Trade. A potent source of corruption had also now been removed from the path of the members of the new Council. Its effectiveness in directing the political concerns of the Company had thus been much enhanced, and the need for appointing any parallel body like the Select Committee was thus obviated.

But this is only a general statement. In order to assess the *actual* position of the Governor-General and Council in the overall political life of the country, we shall have to take a concrete view of its relative position both externally and internally—externally in relation to the Governments of the other two Presidencies, and internally in relation to the other half of the Bengal Government, i. e., the Nizamat and other Statutory and standing organs of this Government, viz, the Board of Trade, the Supreme Court and the Commander-in-Chief.

#### (A) External Authority—Position in relation to the Other Presidencies :

Now and then the Company's Governments in the three Presidencies on both the sides of the Vindhya had to become engaged in life and death struggles not only with the Indian powers but also with some of the rival European nations trading in India. By the middle of the 18th Century almost each of these European nations had succeeded in establishing a central Government in the east. But the English Company had not yet succeeded in creating a central orga-



nisation in India for evolving a common policy as well as pooling up the resources of the three Presidencies, though for some time past the prime necessity of creating such a central organ was also being repeatedly emphasized by the local civil and military authorities of the Company. In a struggle for power the Company's Governments in India were thus placed at a definite disadvantage. <sup>4</sup> The Regulating Act for the first time sought to create such a central organisation by vesting the Presidency of Bengal, by far the most important of the three Presidencies, with the power of superintendence over the foreign relations of the two minor Presidencies subject to certain limitations, thus initiating the process of the centralisation of authority in British India. An indication of this superintending power was given by adding the term 'General' to the designation of the alleged head of the administration, as we have already observed.

Thus, the Presidencies of Bombay and Madras were debarred by the Act from declaring war and concluding any treaty of peace or any other treaty with the Indian powers without the prior consent of the Governor-General and Council of Bengal, failing which the offending Government would be superseded by the order of the latter. This superintending power would not, however, be effective (i) in case of an imminent necessity when it might be 'dangerous' for a Presidency to postpone making hostilities or treaties "until orders from the Governor-General and Council might arrive", and (ii) in such cases when a Presidency might have received special orders from the Court of Directors. <sup>5</sup> Thus some discretionary authority was allowed to rest with the subordinate Presidencies to cope with emergencies, and a concurrent authority was also vested with the Court of Directors obviously because of its inherent right to guide the subordinate Governments.

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4. Dalrymple's *A Retrospective view of ancient system of East India Company*, pp. 51-55, printed in India Tracts, 1784.

5. See IX.

The superintending power over the two Southern Presidencies was granted to Bengal at a time when the defeat of the Nawab of the Oudh at the battle of Baksar (1764) had brought peace to Bengal, and the Deccan was becoming a new theatre of war due to the threatening position now occupied by the Marathas and the Nizam. The situation was naturally fraught with sinister possibilities, and in practice also it turned to be so.

A few days after their assumption of power the Governor-General and Council of Bengal acquainted the other Presidencies of that event in a General Letter dated 24th October, 1774, and asked them to send reports "respecting the country powers, their interests and probable connections with each other, with the Company, and with other European nations". This would enable the Bengal Government "to form a judgment upon them and to direct their future conduct."

A prolonged conflict ensued with the Bombay Government almost immediately after this because a likely issue of trouble was present from the beginning, and that with Madras some time after, i. e., as soon as an appropriate issue presented itself. As the subject of our study is the administrative system in Bengal, we are not concerned with the details of these conflicts and shall indicate only a brief outline.

### Conflict with Bombay :

As one time Bombay had been the foremost Presidency, but gradually it had fallen much behind the other two Presidencies because in the face of the mighty Maratha Confederacy there was hardly any room for political aggrandisement. So when dissensions broke out in the Maratha camp in 1772, the



Bombay Government sought to take full advantage of it for profitable intrigue—a matter which had produced such spectacular results in Bengal. The instance of Bengal perhaps led the Bombay Government also to imagine that their small force would be able to account for the whole of the Maratha army.

For a considerable period the Bombay Government had been trying to acquire from the Marathas some places, e. g., Bassein, Salsette and the islands of Bombay harbour, on account of their strategic and commercial importance, and in this affair they had also the support of the Court of Directors. So, when a civil war broke out in the Maratha camp after the death of the Peshwa, Madhu Rao, in 1772, the Bombay Government sided with Raghunath Rao, and in return for its support it demanded the coveted places. After some initial hurdles the Treaty of Surat was concluded with him in 1775, according to which, among other things, the English would help Raghunath with a force, and in return Salsette, Bassein and the islands were to be ceded to them. The Bombay Government concluded this treaty without any reference to the Presidency of Bengal, though under the terms of the Regulating Act it was required to do so. When the latter demanded an explanation because "we have it particularly in charge to preserve the peace of India, and that we cannot suffer the danger of exposing the Company's possession to the uncertain event of a war,"<sup>6</sup> it tried to justify its conduct on the plea that it need not refer to Bengal cases in which it had already received orders from the Court of Directors, and in respect of the safeguarding of Bombay it had received orders from it time and again. The Bombay Council then deputed Taylor, one of its members, to Bengal to procure the concurrence of its Government to the political measures adopted by the former.

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6. First to Eighth Reports from Parliamentary Secret Committee, 1781-2,

The Bengal Government, however, refused to recognise the Treaty of Surat and started separate negotiations directly between themselves and the Marathas. As a result, the Treaty of Purandhar was signed in 1776 which, *inter alia*, established a general peace with the Marathas. The Bombay Government registered a strong protest against this step of the Bengal Government. It pleaded that since they were "the representatives of the Company on that side of India, being appointed a Government on their behalf to conduct their affairs there, they cannot be superseded without altering the form of Government established by the Company".<sup>7</sup> The Bombay Government further condemned the Treaty itself as highly injurious to the true interests and reputation of the Company.

In the meantime a despatch dated 5th April, 1776, came from the Court of Directors approving of the Treaty of Surat. This gave a laudable plea to the Bombay Government to reject the Treaty of Purandhar and openly side with Raghunath. When sometime after the Court of Directors came to know of the Treaty of Purandhar, it disapproved of some of its stipulations but nonetheless it asked the Bombay Government to abide by it unless attempts were made by the other party to evade its conditions. In that case the Bombay Government would be free to enter into a fresh alliance with Raghunath Rao. As a matter of fact, the Maratha Minister did not care to abide by the provisions of the Treaty. This provided a specious plea to the Bombay Government to enter into a fresh alliance with Raghunath in utter disregard of the instructions received from Bengal.

In the meantime, the French influence had increased at the Maratha Court which the Bengal Government now proceeded to counteract it. Accordingly it pledged support to Raghunath whose cause the Bombay council had so long been espousing.

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7. Bengal Secret Consultations of 10th July, 1776.



It was, therefore, thought proper that the Bengal Government should also fall in line instead of working at cross purposes. A force under Col. Leslie was sent from Bengal to march across the heart of India to Bombay. Leslie could not make much progress. In the meanwhile, France had declared war against England. The situation in India became intriguing. Leslie was replaced by Goddard, and negotiations were started with Berar for an alliance.

The Bombay authorities, however, did not care to wait any more. In response to a fresh request from Poona they acted on their own and set their small army on march in support of Raghunath's pretensions. The expedition ended in a disaster, and the situation was ultimately saved on the arrival of Goddard. To gain control of the military and diplomatic operations of the Bombay Government Goddard was given command of the local forces and a seat on the Bombay Council, though he remained directly responsible to the Bengal Council.

This array of incidents shows how in the South-Western hemisphere the centralisation of power that the home authorities now sought to introduce in India received repeated set-back owing to certain actions taken on behalf of the Bombay Government. For the distance and the difficulty of communications, the Bengal Government could not bring the Bombay Presidency into line in the ordinary way. The concurrent authority enjoyed by the Court of Directors under the provisions of the Regulating Act also helped in defeating the move of the superintending Government. It should, however, be noted in this connection, e. g., in this dispute with the Bombay Government, unlike that with the Madras Government, that no theoretical issues over the interpretation of the relevant section of the Act vesting this control in the Bengal Government were involved.

### Conflict with Madras <sup>8</sup>

The history of relation with Madras was somewhat different. Here the early relation was more or less amicable. Originally Hastings was a servant of the Madras Government, and he might have also some sentimental attachment for the Presidency. When, however, a conflict of a very violent nature broke out afterwards, it was not due to any fragrant breach of any provision of the Act by the Madras Government or due to the exercise of any concurrent authority by the Court of Directors. In this case a theoretical issue was involved. This means that a controversy arose over the interpretation of the relevant Section of the Regulating Act, i. e., whether the sanction of the "controlling power" was needed only when a war was finally declared or a treaty was finally made, or, its superintendence extended also over the "previous steps" and "intermediate stage" so that its power might not be rendered nugatory by leaving before it no option. The Bengal Government took the latter view and claimed a "general control and direction of your Government". Very naturally the Presidency of Madras resented this claim and wanted to restrict the superintending power of Bengal only to the final stage of declaring a war and negotiating a treaty. <sup>9</sup>

The conflict with Madras started with Rumbold taking charge of the Madras administration in 1779. This conflict, after a brief spell of interval, started again after the year 1784. The hostility with the French and the Nizam in the South provided the main occasion for this conflict.

The above review, though very brief, will still show that, in spite of the financial dependence of Bombay and Madras upon Bengal, the latter could not always enforce its control over them. There were, of course, difficulties of communi-

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<sup>8</sup> The whole history of this conflict has been described in Dasgupta's Central Authority in British India.

<sup>9</sup>. Appendix Nos. 129 and 132—Second Report from the Parliamentary Secret Committee (1782).



cation and also loopholes in the Parliamentary Act. But, besides these factors, the "minor" Presidencies, which were so long independent and cooperating mutually out of their own accord and sense of urgency, should certainly be allowed some time to develop a tradition of loyalty.

Pitt's India Act of 1784 sought to tighten further the control of the Bengal Government over the two other Presidencies.<sup>10</sup>

### **(B) Internal Authority :**

Under this head we shall first deal with the relation of the Governor-General and Council to the Nizamat which constituted the other half of the Government.

#### **(1) Position in relation to the Country Government :**

As we know, under the Mughals the Governmental business used to be performed into two departments : the Nizamat and the Dewani. During the chaotic condition that prevailed in the country in the wake of the death of Aurangzeb this distinction became more or less obliterated.<sup>11</sup> But with the acquisition of the Dewani by the Company the old position staged a return, and the two departments of the Government again became distinct. The Dewani portion of the Governmental business had devolved upon the Company while the Nawab himself, as usual, remained in possession of the Nizamat. We shall note here briefly the position that the Council occupied in relation to the Nizamat, i. e., the country Government.

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10. Sections 31 and 32,

11. See pp. 6-8 ante.

During the period under review the relation between the Nawab and the Company's Government was on the whole cordial. The Nawab as the head of the surviving Country Government ordinarily received the usual marks of civility and respect from the Company's Government. But all these marks of civility, etc. could not conceal the fact that the Nawab was now in a position of complete dependence upon the Company. The latter not only prevailed upon him to part with a substantial portion of the powers of the Nizamat to itself but also used to wield considerable influence over him and his Government in exercising the remaining powers, though for the sake of form it was ordinarily done under a veil, the ostensible ground being that he was a minor in age and quite inexperienced and was thus incapable of exercising his authority judiciously and likely to play into the hands of the self-seeking individuals. The Company was now more or less in the same position as Murshid Quli Khan had been on the death of Aurangzeb. He was appointed the Dewan of Bengal and Orissa but owing to the sheer incompetence of the then Nazim, he in fact exercised the powers of the Nazim as well.

The Company's servants here pursued a deliberate policy in bringing the Nawab under its control. The possession of the political power would give advantage also in the economic field. Besides, repeated skirmishes with the Nawab of Bengal had led the Company's representatives here to sustain serious losses. So the latter was soon led to find that "the true and only security for our commerce and territorial possessions in the country" was always to have it in their power to "overawe" the Nawab.<sup>12</sup> As a matter of fact, since its victory at Plassey the servants of Company had been virtually carrying on a "traffic in Nabobships". In this business they showed a scant courtesy to the position of the Mughal Emperor.

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12. Clive's letter to Bengal Select Committee dated 11th July, 1765.



Earlier in 1765 Nawab Nazm-ud-Dowla was made to enter into a treaty with the Company, as a result of which he became virtually a mere stipend- holder of the Company. He parted with his military power and agreed to have, for advising and assisting him, an experienced person "fixed with him", with the advice of the Governor and Council, as Naib Subah. He would have, immediately under the Nawab, "the chief management of all affairs". Raza Khan was appointed Naib Subah in addition to his post as Naib Dewan. It would not be competent for the Nawab to remove him from his office without the consent of the Governor and Council. Both Nawab Syf-ud-Dowla who succeeded Nazm-ud-Dowla and Nawab Mobarek-ud-Dowla who succeeded the former ratified these articles in their treaties with the Company.<sup>13</sup>

The stipend payable to the Nawab was, however, progressively reduced in an unilateral way unless from the original amount of Rs. 53.86.131-9-0 it came to be only 16 lakhs of rupees per annum at the time of Mobarek-ud-Dowla who continued to occupy the musnud of Murshidabad during the whole of the period under review.

The Court of Directors thought that this sum should be sufficient for the maintenance of the Nawab during his minority. But this minority being a political one, he was never to attain maturity. Thus in 1778, after addressing the Governor-General as his "patron", the Nawab himself regretted that in spite of his having a number of children he was still reckoned an infans<sup>14</sup>.

As a result of such reduction in incomes, the Nawab's economic position deteriorated so much towards the end of the period under review that he was no longer able to

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13. Aitchison, op. cit.. Vol. 1, pp. 230-233.

14. Bengal Secret Consultations of 23rd July. 1778.

repair his residential house, to give his daughter in marriage and even to undertake a journey to Calcutta with a view to pleading with the Governor-General to enhance his stipend. He continued to write pathetic letters to the Governor-General asking for "favours" to get him out of these difficulties.<sup>15</sup> His economic position worsened further when in 1785 a step was taken to pay him in certificates for sometime due to the deplorable state of the Company's finances. This also dealt a heavy blow to the prestige of the Nawab.<sup>16</sup>

Besides, so far as his household affairs were concerned, the Nawab was also seen to smart helplessly under the superintendence of his Deputy and to appeal piteously to the Company's Government for restoring some of his powers to him.<sup>17</sup>

With Macpherson's accession to Governor-Generalship we find that the usual marks of civility were lacking from the Company's Government to the Nawab. Thus henceforward, among other things, he was prevented from corresponding directly with the Governor-General except through the latter's agent posted at his Court.<sup>18</sup> Macpherson did not even always show him the courtesy of giving replies to his letters.

The facts enumerated above demonstrate amply the continued helplessness of the Nawab in regard to his intimate

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15. Letters from Nawab to Governor-General dated 5th May, 7th May, 21st May, and 17th June—all written in 1785—Calendar of Persian correspondence, Vol. VI.

16. Calendar of Persian Correspondence, Vol., V Nos. 398, 401 and 552.

17. Bengal Secret Cons, of 9th November, 1775 ; 23rd July, 1778 ; 24th February, 1780 ; 6th July, 1781. Also Bengal Public Cons. of 15th December, 1779.

18. Letter from Governor-General to Nawab dated 9th April, 1786—Cal. of Per. Cor., Vol. VI.



personal affairs as against the Company's Government. We shall now see that he **himself** had also no political pretension to advance. In this respect he virtually functioned as the rubber-stamp for the use of the Company's agents in Bengal.

Thus we find that in 1785 on two different occasions the Chief of the Dutch factory at Chinsurah and the French agent in Bengal sent some queries to the Nawab as to the rights and privileges enjoyed by them here. On each occasion the Nawab sent the queries to the Governor-General and Council for decision, and the instructions received from them were respectively conveyed to the Dutch and French authorities as his own replies.<sup>19</sup>

The English thus had sucked the orange dry and had left the skin and pulp only on the table. The Nawab was a mere pageantry who existed on sufferance only to serve the Company's ends. Other instances of such pageantry were, however, not rare in this country and abroad.

When so helpless was the position of the Nawab himself, that of his Deputy who owed his appointment and continuance in office to the Governor-General and Council might be imagined. In fact, almost all his proposals, before being translated into action, had to receive their approval. Reforms were executed in the Nizamat even without giving any hint to him. In fact, the Naib Nazims had been both made and unmade, and his powers had been added and taken away at the sweet will of the Company's Government. This was the position in spite of the fact that in course of the period under review an attempt was made to restore the Nizamat to some of its former glory.

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19. Cal. of Per. Cor., Vol. VI, No. 335. In the Roy Radhachurn Case the Nawab was prevailed upon by the Council-majority to advance his claim as independent prince.

## (2) Position in relation to the Board of Trade :

The Regulating Act did not say anything about how the commercial affairs of the Company would be managed. It left the matter with the Company itself. And we have already seen that a new semi-autonomous body called the Board of Trade was brought into existence for the purpose. It consisted of as many as eleven members and had its own set of civil servants for executing its directions. The civil Government of Bengal thus seemed to be bifurcated.

With a view to see the whole thing in clear perspective, we should however try to find how the situation developed, after the enactment of the Regulating Act, inside the Company over its commerce. Both the Court of Directors and the Court of Proprietors agreed that a separate body had to be set up for conducting the Company's commerce. But the two bodies differed as to the extent of autonomy to be granted to it. The question arose from the Company's attempt to rescue as far as possible its commercial affairs from the purview of the Parliamentary influence. Though it was proclaimed that the first major Parliamentary intervention in the shape of the Regulating Act was meant to last for a limited period of five years only, the more far-sighted among the Company's representatives had no illusion about it. They were more or less convinced that this intervention had not only come to stay but would gradually increase. The Court of Proprietors, as we know, had been keenly resenting the Parliamentary interference. It was a more jealous champion of the Company's rights. It, therefore, flatly visualised "two independent powers within one Government"—the Council and the Board of Trade. But this arrangement would have certainly run counter to the provision of the Regulating Act which vested the entire civil and military Government in the Governor-General and Council. The Court of Directors was a more responsible



body. Its tone was, therefore, comparatively moderate. In its view the Board of Trade to be newly set up should not be quite independent of the Governor-General and Council. It would enjoy a large measure of autonomy in its day-to-day affairs, but the ultimate supervision of the Governor-General and Council over its affairs would be there. The set of instructions prepared by the Court of Directors had the Ministerial backing and was therefore ultimately accepted and then incorporated in the General Instructions issued to the new Government of Bengal. These Instructions were issued in a General letter dated 29th March, 1774.

Under the terms of this Instrument of Instructions the Governor-General and Council were empowered to inspect and review the accounts, correspondence and proceedings, etc. of the Board of Trade. They were further authorised to prosecute in the Supreme Court even a member of the Board of Trade, if found guilty of a breach of trust or of oppressions. Direct correspondence between the Board of Trade and the Court of Directors was also prohibited.<sup>20</sup> Such correspondence would be carried on only through the Governor-General and Council. The latter were also to remain responsible for any deviation on the part of the Board of Trade from an order of the Court of Directors.

### Commerce in Opium & Salt :

Apart from these constitutional provisions, the Governor-General and Council did not also hand over to the Board of Trade commerce in opium and salt, at least a good part of it, on the ground that, unlike cotton and silk piece goods, salt-petre, etc., these two things were not articles of merchandise and never constituted a part of the Company's investment. Both were "produced from the lands" and were therefore

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20. Paras 16 and 17.

articles of revenue. The proceeds from opium and salt business were deposited with the treasury of the Company's local Government and utilised for meeting the costs on account of the salaries of some of the superior servants of the Company.<sup>21</sup>

But even as regards those matters, e. g., cotton and silk piece goods, saltpetre, etc. which were transferred to the Board of Trade and which constituted the Company's "investments" proper, the Governor-General and Council were not completely without authority. We know that the Board of Trade had no fund of its own. The Governor-General and Council were to set apart a substantial part of the revenues of the Bengal Presidency and transfer it to the Board of Trade for financing the Company's investments.<sup>22</sup> Thus we see that the gold string was held by the former, as a result of which at every step it dictated to the latter how, when and how much they would advance to the latter. Even in its own field the Board of Trade was thus definitely delegated to a position of subordination, against which it could lodge only ineffective protests with the Court of Directors.

Thus for some period after 1781 the Governor-General could not give the Board of Trade the usual supplies for the provision of investment "on account of the low state of the Bengal Treasury".<sup>23</sup> Besides, the Board of Trade wanted to have their supplies in such instalments as would enable them to advance money to the different *aurangs* on the eve of "the commencement of the year of investment" at their respective places. But the Governor-General and Council would not pay heed to the representation of the Board and did not trouble themselves "about the appropriation business". They made payment to the Board of Trade merely with an eye to adjusting their books of account.<sup>24</sup> This gave rise to some complications for the Board of Trade.

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21. Bengal Rev. Cons. of 18th January, 1775.

22. General Letter from Court to Bengal dated 29th March, 1774.

23. General Letter from Bengal to Court dated 30th April, 1781.



### Authority over Commercial Service :

The Court of Directors, in its Instrument of Instructions dated 29th March, 1774, not only bifurcated the Company's service at the top by creating a Board of Trade but also ordered the hierarchical division of the whole of the Company's service into two branches—commercial Service and Central service. The Board of Trade was given the authority to appoint subordinate officers and agents from among those of its Covenanted servants who "shall not be employed by the Governor-General and Council in the collection and management of the revenues." <sup>25</sup>

This led the Board of Trade to claim autonomy for itself in respect of not only suspending but also of "rejecting and electing" the members of their Board and the other servants under it. The Governor-General and Council, however, contested this claim vehemently and looked it as "the assumption of illegal powers". A reference was made to the Court of Directors to give a verdict on the issue. But what reply it gave could not be traced from among the contemporary records.

The controversy, however, shows the intriguing position in which the Governor-General and Council were placed in relation to the Board of Trade.

### (3) Position in Relation to the Commander-in Chief.

The Royal Charters and the Acts of Parliament had empowered the Company to raise and equip troops for defence

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24. General Letters from Bengal to Court dated 30th November, 1778 ; 14th January, 1780 and 9th November, 1780.

25. Para 4

purposes. Originally each factory used to be manned by a group of civil and military servants. In course of time the Company became involved in a struggle for power. It was then led to increase its military forces. But the Company had always been careful lest its military should acquire predominance in its affairs. Such a tendency on the part of the military had been visible at times. Peace was essential for the Company's trading purposes. So it always sought to discourage military aggrandisement unless there was a definite and clear economic advantage to gain. Good dividends and not warlike distinctions constituted the primary object of the Company. The purpose would be better served if the military was placed at the disposal, and under the control, of the civil Government. The Regulating Act too did not depart from this principle as it vested in the Governor-General and Council the military Government of the country along with its civil counterpart. The principle was rather an English principle.

While going to define the position of the Council in relation to the military part of the Government, the Court of Directors therefore found no difficulties. The principle to govern this relation was already there. In the present case it had first been enunciated by the Company itself and was subsequently accepted by the Parliament. So the Court of Directors now proceeded only to work out, in the light of past experience, certain rules and regulations as to how this principle would have to be applied in practice.

In the past there was no demarcated areas in the military sphere for the Governor-General and the Commander-in-Chief, as a result of which acute disputes were found to arise between them, So the Court of Directors was now led to grant separate commissions to the two officers by which the Governor-General was constituted "Governor and Commander-



in-Chief of all troops of Fort William and town of Calcutta," and the Commander-in-Chief constituted "the Commander-in-Chief of our forces in India". But this arrangement was to last only during normal times. In case of an enemy attack to meet which provided the sole *raison de tre* of the existence of the military authority, the powers granted to the Governor-General would be suspended, and the entire military authority would devolve upon the Commander-in-Chief or, in his absence, the superior military officer present "but subject, at all times, to the order of the Governor-General and Council". Besides, at any time, the Council would be able to suspend or supersede any specific command of the Governor-General and the Commander-in-Chief.<sup>26</sup> An overall supervision over the military matters during the peace time was also granted to the Governor-General and Council.

The Governor-General and Council had also the authority to select almost all the personnel in the military department and determine their conditions of service. While appointing them the Governor-General and Council were, however, directed to pay due regard to the recommendation of the Commander-in-Chief.<sup>27</sup>

Apart from all these specific provisions, we should note that the Commander-in-Chief and the Governor-General were also members of the Council, and as such they were bound by all its decisions.

Thus we see that the Court of Directors gave an ultimate authority to the Governor-General and Council in all military matters, but the Commander-in-Chief too was given, as he should be, a place of honour and responsibility. In practice,

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26. General Letter from Court to Bengal dated 29th March, 1774-Paras. 40, 43, 44, 50, 51 and 53.

27. Ibid., para 47.

however, the Governor-General and Council were not always prepared to give him that place. Thus, we find that quite illegally the Governor-General and Council, according to Brigadier General Stibbert's proposal, promoted in 1780 thirty-six Captains to the status of Majors upon the Bengal establishment without consulting or even informing Coote, the then Commander-in-Chief, who, though a member of the Council, was then away on military expedition.<sup>28</sup> In his letter of 1st March, 1781, the latter lodged a strong protest against this measure with the Governor-General and Council, characterising it as "irregular, unmilitary, and burthening the Honourable Company with an enormous additional expense". He further complained that these promotions had been made in violation of the principle of seniority and of "the common rotation of promotions".

We know another case in which exception was taken by the Commander-in-Chief to the action taken by the Governor-General and Council. They gave instructions to Colonel Pearse to separate the accounts of his detachment "from those of all other corps belonging to the Bengal Establishment". The Commander-in-Chief thought that this ad given "direct indignity" to his authority. "In short, Gentlemen", he observes, "I see so little credit to be derived from acting in my capacity of Commander-in-Chief of India, whilst its powers and privileges are liable to be wantonly arrogated by others"

We shall also see later on how the Council bestowed illegally military powers upon the Governor-General at the cost of the Commander-in-Chief.<sup>29</sup>

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28. See App. No. 30 (M) and p. 34 of the Fifth Report from Parliamentary Select Committee, 1781-2.

The para. 47 of the General Letter from Court, *ibid*, required that in making all such appointments the Council should "pay a proper regard to the recommendation of the Commander-in-Chief."

29. See the third chapter



Taking all these episodes into consideration, we may say that the relation of the Council with military Commander of the Company in India, himself a member of the Council, was not all along cordial.

#### (4) Position of the Council in relation to the Supreme Court :

The only body in relation to which the Governor-General and Council were placed at a great disadvantage was the Supreme Court established in Bengal by the Regulating Act after superseding the Mayor's Court. It is true that the latter owed its origin to a Royal Charter. But it used to be manned by the Company's servants themselves and was more or less a branch of the executive Government of the Company. It proved mostly incapable of giving a check to the manifold nefarious activities of the Company's servants in power. So a need was felt to replace the Mayor's Court with a Crown's Court, independent of the Company's Government and trained in English jurisprudence. So the Supreme Court was established with the power of reviewing the actions of the Governor-General and Council and checking the corruptions and oppressions of the Company's servants. And all people who were directly or indirectly in the service of the Company were brought within its jurisdiction. Here we are, however, concerned only with the relation between the Governor-General and Council on one hand and the Supreme Court on the other.

Both the groups in the Council were opposed to the Supreme Court. They apprehended that the Court might well be "a dreadful clog on the Government". Some of them could not also reconcile themselves to the fact that the Charter granted by the British King in pursuance of a provision of the Regulating Act gave precedence to the Chief Justice

“immediately after the Governor-General”. All these things indicated the attitude of the members of the Council towards the Supreme Court.

**(a) Supervisory Role of the Court on the Legislative Power of the Council :**

It has already been seen that the 36th Section of the Regulating Act empowered the Governor-General and Council to issue rules, etc. for the good Government of the Presidency. These rules, etc., before they became laws, would have to be published openly, and a copy of it should be affixed in some conspicuous part of the house of Supreme Court obviously with a view to eliciting public opinion upon them and then after the expiry of twenty days these should be duly registered in the said Court with its consent. After such registration these would be valid in law subject to final confirmation by one of the Principal Secretaries of State within two years from their being enacted. This provided a serious check upon the independent legislative power of the Council that it had been enjoying before the passing of the Regulating Act. To evade the Supreme Court, the Governor-General and Council, however, sometimes passed rules, etc. in the shape of the resolutions rather in the shape of formal Acts or Instruments. Unless these rules, etc. were in the shape of formal Acts of the Council, they need not be registered in the Supreme Court. Further, when in 1781 Parliament, by way of amending the Regulating Act, passed another Act<sup>30</sup> empowering the Governor-General and Council “to frame regulation for the Provincial Court and Council” from time to time. The Supreme Court was granted no power of supervision or of veto over any enactments passed on the strength of this provision. Henceforward the Governor-General and Council preferred to legislate under this provision

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30. 21 Geo. III, C. 70.



in preference of that of the earlier Act. Their power of independent legislation subject to the control of the home authorities only was thus largely restored.

(b) **Corporate acts of the Council.**

In this connection we should also note the controversy that arose between the Council and the Supreme Court over the individual accountability of the members of the Council for acts done in their official capacity. It involved the question of the independence of action on the part of the Governor-General and Council.

The Governor-General and Council resisted the attempt of the Court to bring under its review the actions and opinions of the individual members of the Council by advocating its corporate character. Their general stand was that "their Corporate acts, as the Government of this Presidency" were not cognizable in the Supreme Court. On the other hand, the Court maintained that they were amenable to its jurisdiction individually even for acts done by them collectively as neither the Act nor the Charter recognised any such distinction.

There were at least three occasions on which the controversy cropped up: (1) when the Council claimed immunity for Roy Radhachurn, alleged to be the "ambassador" of the Nawab, a "sovereign" prince, and the Court called upon it to substantiate its claim by affidavits; <sup>31</sup> (2) when the Supreme Court asked Bruere, Assistant Secretary to the Council, to disclose the opinions of the individual members of the Council in respect of the producing, in the Court, of certain Government papers which had been requisitioned in

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<sup>31</sup> Bengal Rev. Cons. of 20th June, 1775 and Bengal Secret Cons. of 10th July, 1775.

a case pending before it and which the Council had refused to produce ;<sup>32</sup> and' (3) when summonses were issued by the Supreme Court against the individual members of the Council on a suit being instituted in it by Kasinath against them individually for "trespass" which they had done in their official and collective capacity.<sup>33</sup>

This controversy was, however, settled in 1781 once for all by Parliament when it passed 21, Geo. 3, c 70 and assured independence of action to the Governor-General and Council. Thus the very first Section of the said Act provided that the Governor-General and Council were not to be subject, jointly or severally, to the jurisdiction of the Supreme Court "for or by reason of any act or order, or any other matter or thing whatsoever, counselled, ordered, or done by them in their public capacity only, and acting as Governor-General and Council."

### (c) Revenue and Judicial Administration.

The most violent conflict took place between the Governor-General and Council and the Supreme Court over the Company's revenue and judicial administrations in the country. As the Dewan of Bengal, the Government of Bengal had to arrange for the collection of revenue and the administration of civil justice and built up organisations for the purposes. The actions of these organisations in particular incidentally came under the review of the Supreme Court. Though the Supreme Court did not generally challenge the right of the Governor-General and Council to erect such organisations, it took objections to the practices indulged in by the latter. As a result of the actions of the Supreme

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32 Letter from Court to Waymouth dated 19th November, 1777—Touchet Report General Appendix, No. 3.

33 Cossijurah App. No., 24—Touchet Report.



Court, the collection of revenue and the administration of civil justice virtually came to standstill. It is again the same Act of 1781 which, after curbing the jurisdiction of the Supreme Court, saved the situation. The Governor-General and Council regained their control over the administration, but, in the meantime, under the impact of the processes of the Supreme Court, they had learnt one lesson—the lesson of being regular in their proceedings. This became conducive to the growth of a healthy administration in the country.

Thus we see that during the first half of the New Regime under the Regulating Act the position of the Council *vis-a-vis* the Supreme Court was anything but enviable. By 1781, however, its relative position recorded much improvement. In the words of Ilbert, "The decision of Parliament as expressed in the Act of 1781, was substantially in favour of the Council and against the Court on all points."

So long we have noted the cases where the Supreme Court had more or less claimed ascendancy. But the picture will not be complete if we fail to see also the relation that developed between the two bodies over the limited control granted to the Governor-General and Council in two affairs: (i) fixing an establishment for the Supreme Court, and (ii) appointing the chief executive officer of the Court.

#### (i) Establishment for the Court :

On 8th February, 1775, the Supreme Court, as required by the Regulating Act, submitted its proposed establishment for approval to the Council. The latter wanted to curtail it on financial ground. But the Court pressed either for the acceptance or rejection of the proposed establishment *in toto*.<sup>34</sup> The

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34. Bengal Public Cons. of 6th March, 1775 and 13th March, 1775.

Council was not allowed to dictate any limitation because in that case "the officers would be theirs and not those of the Judges." The entire demand was then passed in the Council. This establishment was further increased in 1777 and again in 1780 and 1781 without any trouble whatsoever from the Council.

## (ii) Appointment of Sheriffs :

Exception was taken by the Court to the provision of the Regulating Act that the Council had the last say in the selection of the Sheriff, the chief executive officer of the Supreme Court. <sup>35</sup>

But a healthy convention soon arose and neutralised the position of the Council. <sup>36</sup> On the basis of a tacit understanding between the Court and the Council the first person named in the list sent by the Court used to be selected by the Council. In fact, therefore, it is the Court that used to determine the selections.

Besides, disputes arose between the two bodies over such miscellaneous issues as the right of the Council to receive application from a prisoner, the mode of addressing the Supreme Court by the Council and increasing the Judges' shares in the allotted remittances to be annually made to England.

The above review will show that generally there was no harmony not only within the Council itself but also between Bengal and the other two Presidencies and between the Coun-

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35. Letter from Impey to Weymouth dated 2nd March, 1780—Cossijurah App., No. 26—Touchet Report,

36. The first election of the Sheriff was the only contested election during the period under review.—Bengal Pub. Cons. of 9th Dec., 1774.



cil and other Statutory bodies of the Company's Government. A tradition of loyalty and co-operation had yet to be developed.

The foregoing review will concretely show what position was constitutionally allotted to the Governor-General and Council and what position they came to occupy in practice subject to the control of the home authorities. But in view of the distance and the slow means of communication, as has been already pointed out, this control, from the very nature of the case, could not but be very limited, and sometimes the Governor-General and Council used to flout their clear directions with impunity.

## CHAPTER THREE

### The Council and the Governor-General.

The Governor-General was the head and first member of the administration of Bengal. His relation with the Council, therefore, deserves a separate treatment. In this chapter we propose to do that.

Hastings was appointed Governor-General of Bengal under the Regulating Act, and he held that post for most of the period during which the Act remained in force. That is to say, he remained at the helm of the affairs of the country for more than a decade. He resigned from his post in February, 1785 and was succeeded by Macpherson. He occupied the post for an interim period of one year and a few months only when he was replaced by Cornwallis.

The Constitution made the position of the Governor-General *primus inter pares* first among the equals. Every decision in the Council had to be taken by a majority of votes of the members present, and the Governor-General was granted no powers to override the Council. Only in the case of a tie he had the privilege of having a casting vote. So he, if confronted with a hostile majority, would be reduced to "a splendid cipher".

The majority-rule was an accepted principle of the Company's Government from very early times. Hastings, however, could not reconcile himself to this position. When he was working as Governor of Bengal before the inauguration of the Regime under the Regulating Act, he lodged his protest



with the Court of Directors in England against the absence of his overriding power. He joined the civil service of the Company and came to India at a very early period of his life and gradually rose at a mature age to the highest executive position that the Company had to offer. During these long years excepting a short period he had lived in this country and loved its people. He had a scholarly bent of mind and had generally indulged neither in the pleasures nor in the vices of his day. He had spent his leisure hours in learning the Indian languages and knowing the Indian customs and the Indian institutions and when he was placed at the head of the Bengal administration, he tried, as we shall see later on, to restore them to some of their former glory, though perhaps not without much success. With this he had also imbibed the oriental principle of government that there should be one officer at the head of an administration in whom all power would be concentrated and to whom the people would look for guidance and protection. For an inherent love of power he might also develop an instinctive inclination towards that theory. He was not, however, alone among the British administrators who readily accepted this oriental principle of government.

Hastings, therefore, found it difficult to reconcile himself to the fact that he was only one of the many who were again much inferior to him in respect of abilities. He was a man of ideas and energy which was constantly trying to find an outlet. So we find that he, even when confronted with a hostile majority and steadily outvoted, refused to be reduced to a "splendid cipher". He not only fretted and fumbled but proceeded to win.

What Hastings wanted from his colleagues was his "able support and willing". He wanted them to be his subordinates and not his equals, to whom some powers could be delegated

without sacrificing his own authority. But this was not to be. When Hastings was the Governor of Bengal, the Council consisted of about a dozen of members with whom he had to reckon with. And it cannot be said that he had always a smooth sailing with them. There were "various contests, disputes, protests, and an almost open rupture." Still by the middle of 1773 Hastings had the Council under his control. His administration during the first two years before the passing of the Regulating Act was highly creative. He virtually brought order out of chaos. Streams of orders and regulations continued to flow from the Council. Most of them were thought out and drafted by him. Prompt decisions characterised this phase of his administration.

But the position in the Regime under the Regulating Act underwent a qualitative change. Of the members of the new Council Hastings and Barwell were old employees of the Company. Clavering, Monson and Francis were brought from outside by Parliament. These three new-comers to the Company's service reached Bengal with a sense of mission, so to say. They considered themselves as the representatives of the British Government deputed to act generally for the nation in contradistinction to Hastings and Barwell who were supposed to act for the Company.<sup>1</sup> There was also a clash of ideas between the two groups within the Council. Hastings was a pragmatist, while Francis, intellectual leader of his opposite group, had drunk deep into the contemporary revolutionary ideas then reigning in Europe and looked at the Indian problems in the light of those abstract ideas. Behind all these clashes of approaches and ideas there had been going on always in a veiled manner a struggle for power.

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1. Barwell withdrew his early opposition to Hastings and veered round Hastings with the introduction of the Regime under the Regulating Act. These two old servants of the Company thus constituted a solid bloc.



Keeping in view the past history and the divergent elements that the present Council had been constituted of, the Court of Directors, in the first paragraph of its Instrument of Instructions issued to the Bengal Government to be newly established, enjoined upon the observance of "perfect harmony" within the Council. <sup>2</sup> On the eve of their departure from England some of the newly appointed members, in some of the letters written to their friends, promised co-operation with Hastings on arrival in Bengal. On the way to Bengal when they reached the coast of Madras, they were still found to profess their goodwill for the Governor-General. Hastings was also assured of best help and co-operation from new Councillors by some of his friends in England. But these prophecies all proved to be false. In fact, dissension in the Council broke out from the very first meeting of it.

### Relation with the Council :

For two years the Governor-General was steadily outvoted, he being supported by Barwell only. In September, 1776, Monson died, and Hastings now came to dominate the Council through his casting vote. Clavering died in August, 1777, and Hastings's control was further strengthened. Wheler who succeeded Monson in December, 1777, was at first inclined to act with Francis, but soon after he too transferred his allegiance to the Governor-General. In the place of Clavering, Coote was appointed Commander-in-Chief in 1779. Though often "intractable and difficult", he used to act quite independently of Francis. Hastings could still assert himself—where necessary, he exercised his casting vote.

Barwell retired in 1779 when Hastings succeeded in making a compact with Francis. In July, 1780, he accused

2. This advice continued to be repeated from time to time.

Francis of violating this compact and accepted a challenge from Francis to fight a duel. Wounded in it, Francis left the shores of India in 1780. The Governor-General's position from now on was rendered much easier. For some time the Council consisted of three members, and Coote was mostly absent from Calcutta on military expeditions in the south. Wheeler was practically the Governor-General's only colleague, and the latter found him "very amenable to guidance."

In the two vacant posts of Barwell and Francis two new members were then appointed—Macpherson and Stables. Macpherson joined his post in September, 1781, and Stables in November, 1782. Hastings obtained from the former "every aid and support I expected." With the latter, however, he was far less pleased. For a time, on the whole, he had pleasant relations with his later Council. Towards the end of his administration, however, we find them inclined to oppose him, though, generally speaking, even then he could make his views prevail in the Council.

### Feeling of insecurity:

The hostile group in the Council not only opposed him here consistently but also carried on a virulent propaganda against him at home where a peculiar party-alliance first in Parliament and then in the Court of Directors generally stood opposed to him.

Consequently even when he started acquiring majority in the Council through the exercise of his casting vote, his sense of security did not increase very much as the rumour that he would soon be superseded by Clavering and, after his death, by Francis, continued to persist, and the opposition to him at home seemed to increase. In order to mobilise public opinion in England in his favour he, however, now took a novel step.



He sent a personal agent there who, in co-operation with his local friends, would explain his personal conduct and public measures before the English public.

But the issues were not to be so much judged on the basis of their merits. The Ministry saw that there was hardly any possibility of a reconciliation between the two factions in the Bengal Council. One or the other would have to go. The choice of the Ministry was obvious. They could not disown their own nominees. But to remove Hastings the initiative would have to come from the Company. There was no reason as to why it should oblige the Ministry. Hastings was a servant of the Company. He had spared no pains to serve its cause. So the Ministry now tried to win over some of the Directors and Proprietors through the same age-old method of bribery. It began to tell upon the Court of Directors which once in 1776 and then again in 1782, passed resolutions to recall Hastings. But on each occasion the move was defeated on the timely intervention of the Court of Proprietors. At times Hastings came to the point of himself resigning from service.

We shall have to keep in mind this history of Hastings's relation with the Council for a proper understanding of his activities.

Before we proceed to describe the powers and position enjoyed by the Governor-General within the Council during the period under review, we should, however, point out that in the past also though the Governor was granted no power to override the Council, his office was not altogether devoid of substance.<sup>3</sup> Thus he was alone authorised to correspond with the Indian powers. He was also the Commander-in-Chief of all the Company's forces in Bengal and was sometimes invested

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3. Banerjee's Early Administrative System.

with extra-ordinary powers to deal with emergencies. Besides, the Secret Committee of the Court of Directors would at times issue to him confidential instructions for the safety of the Company's shipping, and, on demand, the Council was required to render him all assistance in the matter. Sometime he would appoint temporary members of the Select Committee.

Theories and practice are almost always poles apart. Though, with the Parliamentary intervention, much regularity had been introduced in the Company's administration in Bengal, the post of Governor-General, as it turned out to be in practice, was far more substantial than what it was in law. Sometimes in spite of the hostile majority and sometimes with the help of the favourable majority, Hastings succeeded in acquiring a considerable amount of personal accession to power in addition to those constitutional powers granted to him by Parliament and the Court of Directors. So long he was in a minority, he extended his powers by manipulating some of these constitutional powers. And when he came to attain majority in the Council, he took the help of his majority to add to his powers.

#### (1) Right to summon and dissolve Council meetings :

The Governor-General was authorised to summon meetings of the Council. But he also claimed the right to dissolve Council meetings in the face of protests from the Council majority. He exercised this right during the period when he used to be consistently outvoted in the Council and thus sought to prevent or at least to postpone, the discussion of issues unfavourable to him.

There occurred quite a number of instances when Hastings exercised this supposed right but we shall mention here only



some of the more representative instances. These instances were almost similar in nature. On each of the occasions the majority of the members of the Council wanted to sit in judgment over the conduct of the Governor-General and thus sought to arrogate to themselves the power which might legitimately be exercised either by the Court of Directors or by a court of law. To serve their end these members did not also often hesitate to requisition meetings of the Council on some "specious pretexts" and then utilise it "to introduce concealed matters", i.e., to vilify the Governor-General. These instances occurred also more or less at the same period, i.e., in 1775 when Hastings was in an absolute minority and was therefore helpless in the Council. The first instance we may mention occurred when the group opposed to the Governor-General wanted to summon before the Council Nandakumar who has brought certain charges of corruption against Hastings so that he might be able to make a personal presentation of the case. <sup>4</sup> The second case we shall mention occurred when the same group proposed to summon before the Council Cantoo Baboo and Krishno Chatterjee, two proteges of Hastings and also in employ of the Company, for extracting certain "explanations" from them. <sup>5</sup> The third instance occurred when this very group decided to call in Zain-ul-Abdin in a Council-meeting, who, in submitting an application for the post of the Foujdar of Hoogly on a salary less than half of that paid to the existing incumbent, complained that the latter was in collusive transaction with Hastings and his banian. <sup>6</sup>

In this connection it should be mentioned that on each of these occasions Hastings dissolved the meeting on the ground

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4. Bengal Revenue Consultations of 11th March and 13th March 1775.

5. Ibid., 14th March, 1775 and 17th March, 1775, Bengal Secret Consultations of 20th March, 1775.

6. Bengal Rev. Cons. of 31st March, 1775.

that it would not be consistent with the dignity of his office to sit at the Board "as a criminal", and on every occasion "the Board" continued to sit even after the Governor-General had declared the dissolution of the meeting and had withdrawn.<sup>7</sup>

### Hastings's justification :

Hastings sought to justify his conduct in dissolving Council-meetings on three grounds—on the ground of expediency, on the ground of reason and on the ground of "immemorial usage of the late Presidency".<sup>8</sup>

#### (i) On the ground of expediency :

One justification he offered was that, in view of the violence of his colleagues the simple considerations of expediency led him to go "such apparent extremities".

#### (ii) On the ground of reason :

In support of the claim being founded on reason, Hastings observed that the power to summon and dissolve a Council meeting "must rest somewhere" ; that he, as first member of

7. The ostensible reason of the majority-group for thus continuing to sit at the Council has been expressed in a resolution it took in the Revenues Department on 17th March, 1775.

"That it is the opinion of this Board, that the members thereof, being duly assembled . . . , have a right to continue . . . , as long as majority of such members shall think it expedient for the dispatch of public business, and that they are not . . . liable to adjournment . . . without the consent of the major part of the members present."

8. Bengal Secret Cons. of 3rd April, 1775 ; Bengal Rev. Cons. of 14th March, 1775 ; and Bengal Public Cons. of 13th March, 1775. See also Hastings's letter to Graham dated 25th March, 1775—Gleig's *Life of Hastings*, Vol. I, p. 513.



the administration, had undoubtedly "the sole exercise of the former power", i.e., the power of summoning a meeting of the Council, in as much as the members of the Council possessed no authority "except when assembled," and that it was only reasonable that he should also exercise "the latter", i.e., the power of dissolving a meeting of the Council. Further, if the power of dissolution was vested in the Council, it would enable a prevailing faction to obtrude its business, and, by imposing insults and indignities upon their President, to force him to resign—"a case", he observed, "necessary to be strongly guarded against, as the temptations to force him to such resignation are powerful in a body whose number is small, and whose succession to the first post in the Government is immutably fixed."

### (iii) On the Ground of Customary Practice :

Hastings then pointed out that his claim was founded on an "immemorial" custom which had received the sanction of the Court of Directors, as the Government records would show. He quoted the first clause of the Regulating Act and 29th article of the Court of Directors' Instructions dated 29th March, 1774, to prove that the Government of the country, with all its rules of procedure, had been transferred to the present Council. The power held by the President of the former administration must therefore be equally vested in the Governor-General.

Hastings further contended that the Act, no doubt provided that "in all cases" the decisions of the majority of the Council were to prevail, but the words "all cases" should be construed to mean all cases *properly before* the Board.

Finally, Hastings pointed out that this power now claimed and exercised by him was, of course, open to abuse, but *this*

*was the case with every other power.* The fact that a power might be abused was "no argument against the existence of propriety of the power".

The Court of Directors, when the question was referred to it, <sup>9</sup> discountenanced the claim put forward by the Governor-General to dissolve unilaterally the meetings of the Council. <sup>10</sup> In view of the importance of the issue at stake, the Court, however, "judged it proper to state the case to some of the most eminent lawyers in the Kingdom". <sup>11</sup>

When the opinions of the lawyers were received, it was seen that they were sharply divided over the question. But the majority was in favour of conceding the right to the Governor-General. <sup>12</sup>

Soon after, however, the question lost all practical importance with the ascendancy of the Governor-General over the Council. The issue was therefore allowed to be put in cold storage.

## (2) Power in the Sphere of Foreign Relations :

During the latter half of the 18th Century the Company's Government was only one of the many powers existing in the country. It had, no doubt, attained a predominance among them, but it was still pursuing "a ring-fence policy" in regard to them. Besides, British sovereignty had not yet been openly proclaimed, and accordingly it had not so far appointed Residents or Ambassadors at the courts of the other powers.

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9. Bengal Secret Cons. of 13th March, 1775.

10. General Letter to Bengal dated 31st January, 1776, para 16.

11. Ibid.

12. For the opinions of the lawyers see Appendix, No. M of the 7<sup>th</sup> Report of Parliamentary Select Committee, 1782.



Foreign relations thus constituted an important but delicate subject.

The importance and delicacy of the subject had been admitted by the Court of Directors when it placed the correspondence with the country powers on a different footing from all other correspondences. All other correspondences, if decided upon by a majority of votes, would have to be signed by all the members of the Council present including the dissenting ones. But the Governor-General alone was authorised to carry on correspondence with the country powers, although all letters sent by him were to be "first approved in Council" and all letters received by him in course of such correspondence would have to be laid before the Council at its next meeting.<sup>13</sup> His name alone was thus announced to them "as the representative of the Company." This was the continuation of an old practice which was adopted obviously for the purpose of combining collective responsibility within the Council with a show of strength outside.

After being appointed Governor of Bengal, Hastings pursued a more vigorous policy in the field of the Company's foreign relations as in the other fields of administration and established Residencies at some of the country courts and claimed it as his privilege to appoint Ambassadors for them. This was sought to be done by drawing corollary from his exclusive right to correspond with the Indian powers. As the Governor-General was the only person to carry on correspondence with them and as his power at the head of the administration should be supported in their eyes, he must also have the power to nominate the Company's Agents or Ambassadors for their courts. The occasions on which this

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13. General Letter from Court to Bengal dated 29th March, 1774—para. 2.

power of prerogative had been claimed by the Governor-General were those of appointing Agents to the courts of Benares and Oudh, two more or less subsidiary states of the Company. Hastings's aim to get this power could not be fulfilled as long as he was a minority in the Council, and it appears that the Court of Directors did not also uphold his case. But ultimately when he came to dominate the Council, he succeeded in acquiring for himself the disputed power. The way in which Hastings asserted himself may best be illustrated from a concrete case. Let us take the case of Oudh for the purpose.

When the three new members of the Council—Clavering, Monson and Francis—arrived from England, the Rohilla War was uppermost in their mind, as was evident from the elaborate agenda they prepared for the very first meeting of the Council held on 24th October, 1774. They found that about one-third of the Company's forces was employed under the Nawab of Oudh in subduing the independent Rohillas with whom the Company had no quarrel.<sup>14</sup> To appriase themselves of the situation Hastings was asked to produce his entire correspondence with Middleton, Agent at the court of the said Nawab. Hastings refused. His main ground was that Middleton was his personal agent, and he should therefore have the discretion to decide whether he would produce any part of the correspondence.

More or less the same stand was taken by Middleton also. He did not agree to produce any part of the correspondence without the previous permission of the Governor-General. He was then recalled not because of "any offence or demerit in him" but because of his disobedience to the order of the Council.<sup>15</sup> Bristow was then appointed in his place in the

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14. Francis's Minute, Bengal Secret Cons. of 28th October, 1774.

15. Ibid., 15th December, 1774.



face of protests from Hastings and Barwell. Barwell *inter alia* pointed out that a proposition from the chair should not **ordinarily be ruled out** and if "a gentleman in opposition to his sentiments" was appointed "the Public Agent at the court of Oudh", the purpose of supporting the head of the Government "in the eyes of the princes of India" would be defeated. <sup>16</sup>

### Decision Reversed :

The matter, however, did not end here. It was re-opened towards the end of the year 1776. By this time the Governor-General with the help of his casting vote had begun to dominate the Council and was therefore in a position to force a decision on the issue in his favour. In the meeting of the **Secret Department on 2nd December, 1776**, the Governor-General moved for the removal of Bristow from the position to which he was ushered with so much fan-fire only two years ago and for the restoration of the former incumbent, Nathaniel Middleton. On being challenged by Clavering, the Governor-General said : <sup>17</sup>

"I bring no charge against Mr. Bristow, I do not accuse him of any faults ; I know of no charge that was produced against Mr. Middleton, when he was removed. The majority of the Board thought it proper at the time to remove the Public Minister at the court of the Nawab of Oudh, who had received his nomination from me, and to appoint another in his stead, in whom they had a confidence.....I have a great confidence in Mr. Middleton ; and as the responsibility of all public measures, that has been pointedly thrown upon myself and Mr. Barwell, in the numerous dissents and protests which

16. Bengal Secret Cons., *ibid*.

17. *Ibid.*, 2nd December, 1776.

have been recorded during the course of the last two months, I claim the right belonging to that responsibility, and constitutionally to the office which I fill, as the head and exclusive member of this Government, to choose the means and instruments by which it may be exercised, and in the most effectual manner, for the good of the service and the credit of those who are invested with the charge of it."

In his rejoinder to this, Clavering pointed out<sup>18</sup> that the Court of Directors had already disapproved of delegating any independent and separate authority to the Governor-General and that the Council regarded Middleton as his private agent and not as a 'Public Minister'—a fact which had formerly been admitted both by Hastings and Middleton.

The resolution of recalling Bristow was ultimately passed with the help of the casting vote of the Governor-General. Thus what he was claiming as a right belonging to his position as the head of the administration was established by force of his accidental majority in the Council.

Logic had hardly any place in a mind ridden with party-spirit. In fact, there were elements of truth in the contentions of both sides to the strife. Hastings's position could not, however, be held to be consistent. Once when he was in a minority in the Council, he declared the Company's Ambassador at the court of the Vizier of Oudh to be his personal agent. But on gaining a majority he now shifted his position and looked upon the Ambassador as a Public Minister. Major Scott, an agent of Hastings in England, while deposing before the Parliamentary Select Committee in 1782 sought to make a reconciliation between the two different positions of the Governor-General. According to him, Hastings considered

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18. Ibid.



such an Ambassador as a public officer, but he had spoken of him as his private agent because all political correspondence went through the channel of the Governor-General and he might make certain communications through such an agent. This was true so far as it went, but the Governor-General evidently meant much more than this when he claimed Middleton as his personal agent and sought to withhold, on that basis, a part of their correspondence from the other members of the Council even in opposition to the express orders of the Court of Directors.

The final curtain was, however, still to be drawn over the drama. When the Court of Directors was apprised of Bristow's recall, it ordered his immediate restoration. The old controversy thus started again.

When the Court's order came before the Council for consideration, Hastings pointed out that since it was thought proper "to continue me in the chief administration of their orders", he should not be deprived of that authority which alone would enable him to discharge his duties properly—"duties assigned to him also by the same authority".

Coote, who filled the vacancy in the Council caused by the death of Clavering, however, gave now a qualified support to the Governor-General on the issue. As a military man he was not much interested in subtle constitutional controversies, and his natural inclination was to obey the command of his superior authorities. But there was a hurdle in the way. In the war against the Marathas the Company's forces were then facing a crisis. Being authorised by the Council, the Governor-General was then negotiating a treaty with the Marathas. It would be "destructive of all negotiation" if an impression was now created in the mind of the Marathas that the Governor-General negotiated treaties which he could not have

ratified. And the restoration of Bristow at this time would exactly create this impression. His loyalty to an authority some thousands of miles away and having no direct contact with the Indian affairs thus came into conflict with his conception of local duty. He got out of this crisis of conscience by lending support to Hastings for this occasion only. <sup>19</sup>

The Governor-General, however, stuck to his gun upto the last. Ultimately, of course, Bristow was reinstated. But his reinstatement was only partial and that too not owing to any direction from the Court of Directors but to a "temporary rapproachment" between Hastings and Francis.

### (3) Control over the Revenue Administration :

The quinquennial settlement of land revenue that was made in 1772 was to terminate in 1777. Towards the end of the year 1776 the Governor-General, therefore, began to feel that the question of a new settlement of land revenue should engage the Government's immediate attention. He further felt that before proceeding to make the new settlement it was necessary that the Council should be previously furnished with accurate statements of the real value of the lands and the ground upon which they should be prepared.

To obtain them would involve a work of labour and a business of details "not capable of being undertaken by the Revenue Board," and that it could not also be "left wholly to the Provincial Councils" because it would require uniformity in its design. The Governor-General, therefore, proposed that an office should be constituted for this purpose under the conduct of one or two covenanted servants of the Company assisted by other officers. To ensure despatch it was further

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19. Bengal Public Cons. of 2nd October, 1780.



proposed that all orders issued from the office should be written in the name of the Governor-General, and "the control of it should be committed to his immediate Charge".<sup>20</sup>

This proposal, however, met with the most determined opposition from Clavering and Francis. Both of them recorded sundry minutes in reply to that of the Governor-General.<sup>21</sup> Their main contention was that the "law" had vested "the ordering, management and government of the territorial acquisitions and revenues" in the Governor-General and Council. This was "a joint trust" which they "cannot lawfully alineate or surrender".<sup>22</sup>

This opposition, however, proved of little avail. As a result of Monson's death Hastings had now come to dominate the Council and had his proposal passed by exercising his casting vote.

In the opinion of Farrer, the Company's Standing Counsel, the measure of investing Hastings with the proposed independent power was "illegal and contrary to law because the Governor-General and Council can neither extend or contract their own powers, such as they constitutionally possessed." In course of time the Court of Directors expressed its disapproval of the Governor-General's action, but the letter intimating this disapproval<sup>23</sup> reached Bengal long after the newly created office had completed its inquiries and submitted its report.

20. Bengal Rev. Cons. of 1st November, 1776 and 12th November, 1776.

21. The Bengal Revenue Consultations of November and December in the year 1776 are full of controversy upon the subject.

22. See particularly Bengal Rev. Cons. of 10th December, 1776 and Francis's letter to Court of Directors dated 20 December, 1776 printed on the Bengal Rev. Cons. of 27th December, 1776.

23. The letter was dated 4th July, 1777.

Thus we see that by manipulating his accidental majority in the Council, the Governor-General acquired, against almost universal protests, a limited and temporary control over the revenue administration of the country. This control was, however, not a logical deduction of any specific power constitutionally given to the Governor-General.

#### (4) Power in the Military Sphere :

In the past the Governor of Bengal, along with the actual commanding officer, used to be appointed Commander-in-Chief. This often led to conflicts between the two authorities. So the Court of Directors now granted separate commissions to the Governor-General and to the Commander-in-Chief.

Thus the Governor-General was constituted "Governor and Commander-in-Chief of our troops of Fort William and Town of Calcutta" during normal times and the Commander-in-Chief constituted "the Commander-in-Chief of all other forces in India". And, among the military personnel, only the Fort Major of the town would be nominated by the Governor-General.<sup>24</sup> The Governor-General considered it as so great a reduction of his authority in the military sphere that he even thought of resigning from service on the issue.<sup>25</sup> As a matter of fact, in 1778 he was again categorically directed not to exercise military command "beyond the limits of the garrison of Fort William."<sup>26</sup> In practice, however, he arrogated to himself military power far beyond the scope of these constitutional provisions.

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24. General Letter from Court of Directors dated 29th March, 1774—paras. 40 and 47.

In case of an enemy attack, however, the separate authority granted to the Governor-General would be suspended—Ibid., para. 43.

25. Hastings's letter to Court dated 3rd December, 1774—quoted in Busted's *Echoes* (3rd Edn), pp. 61-63-

26. Court's General Letter to Bengal dated 7th May, 1778—para. 9.



Thus we find that, immediately after acquiring domination over the Council, the Governor-General started encroaching upon the constitutional authority of the Commander-in-Chief. On 14th October, 1776, when Clavering was laid up with illness and could not attend Council meetings, a motion was passed in the Council, in the face of a protest from Francis, to appoint Nathaniel Halhead as Commissary General. In going to support Hastings, Barwell contended that he could not in principle "decline to support the constitutional nomination of servants to the different offices under the Governor-General" because this was the power exercised by the Presidents of the Council in the past and "which he conceives 'the Company propose should always be exercised'." <sup>27</sup>

The Court of Directors, however, took strong exception to these arguments put forward by Barwell and drew attention to the 47th article of the 'Instructions' dated 29th March, 1774, and pointed out that "whatever might have been the powers exercised by former Presidents of the Council", the Governor-General was authorised to nominate only the Fort Major of the Town; and, as regards all other officers of the staff including all vacancies in the sepoy corps, the Commander-in-Chief would make recommendations under the existing set-up, and the Governor-General would be bound by this new Regulation. <sup>28</sup>

Then in 1781, the Governor-General became invested with military powers having effects not only beyond the garrison of Fort William and the town of Calcutta but also beyond the frontiers of the provinces. With Coote away in Madras on a military expedition, the field was now entirely left to Hastings and Wheler, or rather we may say to Hastings, because he could exercise his casting vote in case of a tie. But Wheler

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27. Ibid., 28th November, 1777—paras. 16 and 17.

28. Ibid., para. 18.

himself was now very amenable to Hastings's influence. Advantage was taken of the situation, and the authority of the Governor-General in the military field was extended, though only for a limited period, to enable Hastings to cope with certain difficult situations.

The occasion was the proposed visit of the Governor-General to Oudh and Benares. Certain difficulties in these two places had been engaging the attention of the Council and ultimately called for the Governor-General's presence there. In view of his impending visit, the Council delegated its military authority to the Governor-General until directed otherwise and resolved that the troops stationed beyond the boundaries of Bengal would have to obey all the orders that the Governor-General might think it proper to issue to them "from this time". This resolution of the Council was duly communicated to the Commander-in-Chief and to Colonel Morgan.

And credentials were also given to the Governor-General on the occasion to form such arrangements with the Raja of Benares, the Nawab Vizier of Oudh or any other power of India "as he shall judge expedient and necessary". All such arrangements were to be binding upon the Governor-General and Council "in the same manner, and as effectually", as if they had been "passed and done by the Governor-General and Council assembled in Council".<sup>29</sup>

It is now a well-known truth how in pursuance of this power Hastings took military actions in Oudh and Benares for which he had to come to grief. We are not concerned here with that aspect of the question. Now we shall only examine the constitutional propriety of acquiring this power. The

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29 Bengal Secret Cons. of 3rd July, 1781.



first thing we should mention is that it clearly contravened the instructions of the Court of Directors already referred to. The Council was, no doubt, the highest executive and legislative authority of the Company's administration in Bengal. But it being a subordinate branch of the East India Company's Government at home, it must work within the framework laid down from there. The Governor-General's additional powers, though temporary, were thus illegally acquired.

Eyre Coote who was then the Commander-in-Chief of India recorded his protest with the Governor-General and Council thus : "I must, in justice to my own character as a soldier, and in support of those rights irreparable from the station I fill, declare such a proceeding highly injurious to both ; and, as I myself conceive, assuming a privilege to yourself in military detail, which you cannot on any good grounds be vindicating in asserting." While writing to the Court of Directors upon the subject, Coote described the measure as "extra-ordinary and unaccountable."<sup>30</sup>

We shall now cite another instance when the Governor-General exceeded the constitutional limit of his power in the military field. This time he illegally gave promotion to a military officer to serve his personal end.

Captain Scott was the Governor-General's aid de camp. Hastings now wanted to send him to England to act as his agent there in succession to Maclean. So, to give an added prestige to him, the Governor-General raised him to the rank of a Major on 30th December, 1780, by superseding "forty-six Captains who were all senior to him at that time".<sup>31</sup> By violating the order of seniority he acted in direct disobedience to the positive directions of the Court of Directors.

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30. The letters were dated 1st March, 1781 and 29th January, 1782.

31. Fifth Report from Parl. Sel. Com., 1782, p. 7.

On the three occasions mentioned above the Governor-General extended the scope of his military authority in violation of constitutional provisions and at the cost of the Commander-in-Chief.

We shall now cite an instance when he extended his power in the military sphere in a different way. In 1780 he prevailed upon the Council to grant him the power of appointing his own staff to help him discharge his limited military power. This enabled him to distribute patronage in the military line.<sup>32</sup>

### Miscellaneous Powers :

Moreover, the Governor-General enjoyed powers acquired in miscellaneous ways, viz.,

(i) Towards the latter part of his administration Hastings virtually established some sort of a direct control over the entire Governmental machinery not only through his domination over the Council but also through following a policy of increasing centralisation. It became easier for him to exercise control over this administration "than could be obtained over a greater number of committees and councils".

(ii) All acts of Government and correspondences with the people of this country in country languages were signed by him only.

(iii) Control over the "departments conducted at the Presidency" used to devolve upon him as "the Executive Magistrate of the Government".<sup>33</sup>

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32. Bengal Pub. Cons. of 8th April, 1782.

33. Deposition of Francis—Fifth Report, *ibid.*, pp. 10-14.



(iv) Any decision concerning war not to be ordinarily taken against the opinion of the Governor-General. <sup>34</sup>

(v) On receiving a complaint against any employee of the Company, no member of the Council except the Governor-General had the independent right "to send for people authoritatively", etc. <sup>35</sup>

(vi) He was also exclusively entrusted with the administration of what was known as Durbar charges. <sup>36</sup>

Besides, he had to summon Council meetings, prepare agendas for them and to give "continual currency to business" when the Council was not in session.

Apart from these specific powers, much also used to depend upon "personal factors"—the Governor-General's strength of character, knowledge of the state affairs, etc.

The above review will establish our contention that the Governor-General under the Regulating Act, at least so far as Hastings was concerned, was not a "cipher" and his post was not "nominal". Some of the powers he exercised now was also enjoyed by him during his former administration, i.e., as Governor of Bengal.

#### Secretariat :

With a view to enabling him to exercise these powers constitutionally given or acquired by manipulation, etc., the Governor-General had a Secretariat of his own—a Civil or

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34. Minutes of Francis and Wheler dated 29th June, 1780—Bengal Sec. Cons. of 13th July, 1780.

35. Bengal Rev. Cons. of 14th, 20th and 23rd December, 1774.

36. Misra's Central Administration, p. 90.

Official Secretary and a Military Secretary or aide-de-camp. The designation of 'Civil or 'Official' Secretaries was changed into 'Private' from the time of Macpherson. <sup>37</sup>

### Departure of Hastings and the Appointment of a new Governor-General :

After an eventful career in this country Hastings, however, proceeded to resign from his office of Governor-General on recall from home. Before that, he wrote letters to the several states of India announcing his resolution of quitting the Government on the 20th of Rubbi-ul-Awal or 31st of January in 1785. <sup>38</sup> He took leave of the Board on the 1st February, 1785, after delivering to Macpherson and Stables in Council the key of the fort and to Macpherson the key of the Company's treasury—the two last acts performed so far by a departing Governor. But it was understood that he did not at that time resign "entirely" the office of Governor-General. <sup>39</sup>

The post of Governor-General could not, however, remain vacant because in that case no act of the Government would be valid, the Government being legally vested in the collective authority of the Governor-General and Council. The Board then met in its Secret Department on the 3rd February, of course, without Hastings, and with Macpherson and Stables as the only members to select a successor to Hastings. The choice was however predetermined in view of "the provisions of the Acts of the 13th and 21st of His present Majesty". Macpherson being the senior member of the Board was to succeed automatically to the office of the Governor-General. It was, therefore, decided accordingly.

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37. List of Private Secretaries, p. 1 ;  
List of Military Secretaries, pp. 1-2.

38. Bengal Sec. Cons. of 3rd February, 1785.

39. Bengal Past and Present, Vol III, pp 44-45,



But the ceremonies connected with Macpherson's succession to the office of Governor-General remained postponed on a sentimental ground. Out of respect to the susceptibilities of Hastings's feeling, it was resolved to postpone the ceremonies "until official advice shall have been received that the Berrington Indiaman, in which Mr. Hastings has taken his passage for England, shall have actually proceeded on her voyage".<sup>40</sup>

After Hastings had taken leave of the Council, a big parting dinner was arranged in his honour at Mr. Ray's at the Powder Mills, eight miles to the south of Fort William on the same side of the river and just opposite to a point commonly called *Makeen Callah*. Hastings was to dine there on his way down the river, to embark on board the Berrington, a ship in the service of the Company. Hastings left the Powder Mills in his boat at 4 p.m. He sent from the ship, "when the ship was got as far as the pilot attended the ship," a resignation "by deed or writing".

Macpherson took his seat as Governor-General on 12th February, 1785.

### **Controversy over Macpherson's Accession to Governor-Generalship :**

For some time the home authorities did not come to know of this fact, and they had not fixed any definite date for Hastings's relinquishing office. So while Macpherson remained seated in the position of Governor-General, a search was being conducted in England for a successor to Hastings. Wheler's name was proposed and rejected. The selection of Macartney, Governor of Madras, was then resolved upon. But he refused to accept the post under the given conditions. The next

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40. Bengal Sec. Cons. of 3rd Feb., 1785.

choice fell upon Cornwallis. This time he agreed and was appointed to the post. Cornwallis reached Bengal on 12th September, 1786, when Macpherson handed over the charge to him and resumed his seat as an ordinary member of the Council. This terminated the administration of Macpherson.

We are not interested in the subsequent career of Macpherson. What we shall only note here is the important constitutional question that he raised over his supersession by Cornwallis. That he could not mentally reconcile himself to this fact would be evident from the complaining tone of the letter he wrote to Dundas about a month before his leaving office. Subsequently, however, he questioned the legality of his supersession.

When Hastings left, Macpherson was the senior member in the Council. He succeeded to the vacant post of Governor-General under a provision of the Regulating Act. So he contended that he had a right to hold the office for five years and was irremovable except upon proof of misconduct. His supersession by Cornwallis was thus illegal, and it follows logically that every act he had performed in the capacity of Governor-General was also illegal. As a compensatory measure Macpherson claimed a pension. The Board of Control supported his claim, and he was at a time granted the sum of £ 15,301. 7 s.<sup>41</sup> This shows that his contention was not altogether without basis.

Before we conclude, we should, however, point out that the task of executing the policy of Pitt's India Act of 1784, of course, did not devolve upon Macpherson. The home authorities, to all appearances, looked upon his administration as interim and provisional in character.

Macpherson's administration was short-lived, during which his relation with his colleagues was on the whole cordial.

41, Cornwallis Correspondence (ed. by Ross), vol. 1, p. 377 and p.383.



But he had not much scope for showing his mettle. Nor did he pretend to do so. He had not the dash and vigour of his predecessor. In course of a minute he expressed his desire "to avoid innovation in the system of Government,..... rectifying at the same time such abuses as could be remedied without any violence to established Government." In fact, Macpherson's administration was noted particularly for the various measures of economy adopted by him.

## CHAPTER FOUR

### The Council—its constitution and office-organisation.

In this chapter we shall deal with the constitution of the Governor-General and Council and their office-organisation for transacting business.

#### Constitution :

During the 18th century Locke exercised a great influence in England. He regarded the separation of the executive from the legislature as a great safeguard against tyranny. In the constitution of the Governor-General and Council the British Parliament, however, did not follow this principle. Like the President and Council of the earlier regimes, the Governor-General and Council were also constituted an executive-cum-legislative body.

#### Earlier position :

As we have already observed, the Company's Government, even after it had become a territorial power, was mostly pragmatic in character and commercial in spirit. Thus, before the passing of the Regulating Act the number of the members of the Council was not fixed, it ordinarily varying from nine to sixteen "according to the presumed importance or extent of the business to be performed." Many of these members again accepted agencies and resided at the Company's trading centres in the districts and were not in a position to attend the meetings of the Council regularly. Further, they used to control as Councillors the very actions which they performed as agents. The results were "great laxity, much wrong-doing complete failure of justice." Then, the views of the Court of



Directors on the question as to whether the commanding officer of the army in Bengal should have a constant seat on the Council also varied from time to time. The members of the Council used to be ordinarily appointed by the Court of Directors, but in case of vacancies the President and Council could fill them generally from among the superior servants of the Company. Seniority alone, however, was not always the basis for promotion. No fixed remuneration was attached even to the office of the Governor and President, it varying from person to person. He was also often granted a Commission on the net annual revenues of the Company and also a share in the coinage duty.

The Governor and Council being thus an ineffective body, a Select Committee, much smaller in size, was instituted in 1756 to expedite matters, to cope with emergency situations and to deal with secret affairs. Though not meant to be a standing organ of the Government, in practice, however, it continued to be so. Its membership varied from three to six, and the Governor was ordinarily appointed its President. The Committee had also its own Secretariat.

The jurisdictions of the Council and the Select Committee were not properly demarcated. Over some subjects they had clearly concurrent jurisdiction. Consequently these two bodies often clashed, and the Select Committee too could not function very effectively.

In spite of the pragmatic character and lack of regularity of the Company's administration during this period, there emerged a basic administrative principle that the civil authority was to be generally predominant over its military counterpart. This principle owed its origin to commercial character of the Company's Government. Peace was essential for the Company to carry on its trade. So ordinarily it discouraged

military aggrandisement, and this purpose was likely to be served better if the civil Government had the last say in military matters also.

### During the period under review :

Under the Regulating Act the Bengal Council was to be divested of some of its pragmatic and commercial characteristics. It was thus no longer an unweildy body, the number of members being only five including the Governor-General. Unlike the earlier practice, this number would also not vary according to the exigencies of the situation. As we have already noted, its effectiveness as an administrative body would be greater than before.

Unlike the previous practice the Governor-General and Council were also now to receive adequate and "certain and established salaries". The Governor-General would receive £ 25,000 a year, and each of the members of the Council £ 10,000.<sup>1</sup> All these salaries were to be in lieu of all fees, etc. This was meant to forestall any malpractices on the part of the Governor-General and Council.

Under the Act Hastings was appointed Governor-General, and Clavering, Monson, Francis and Barwell the other four members of the Council.<sup>2</sup> Of these five persons Hastings and Barwell were the old servants of the Company, and the remaining three were newly appointed to the Bengal Government. Clavering was appointed second member of the Council. That means he was to succeed Hastings to the post of Governor-General, if, owing to any reason, it should fall vacant. Some balance had thus been sought to be achieved between the interests of the Company and of the Parliament in the choice of these members. The Council would get the

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1. Sec. XXII.

2. Sec. X.



benefit of experience from the old servants of the Company, and the new members would bring a new outlook to bear upon the administrative affairs of the Company.

What an improvement this constitution of the Council from that of previous position would be evident from the fact that the former Councils were all composed of merchants whose ranks were generally determined in the following way—the Governor was its first member, next to him was the Book-keeper ; the third in rank was the Warehouse-keeper ; and the Customer ( i.e. Collector of Customs ) was the fourth. <sup>3</sup>

In case of any difference of opinion, “the opinion and decision of the major part of these present” was to prevail. Only in the case of a tie, however, the Governor-General, or, in his absence, the “eldest” Councillor present would have a casting vote. The Governor-General was thus granted no discretionary authority, <sup>4</sup> and when confronted with a hostile majority, he would be reduced to “a splendid cipher”. This was but the continuation of an old practice. Checking corruption and abuse of power being the main purpose of the parliamentary enactment, it was perhaps thought better that reliance should be placed more upon a collective body than upon a single individual.

The Governor-General and Council were to be appointed for a period of five years, in course of which they could be removed only by the King “upon representation made by the Court of Directors”. The term of office of the Governor-General and Council were thus made as extensive as possible, it being made co-extensive with the duration of the Act itself. Their removal would also be rendered comparatively difficult

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3. Ghosal's Civil Service, p. 18,

4. That is why the body was called the Governor-General and Council and not the Governor-General in Council.

owing to the provision for the concurrence of two authorities. Thus the Governor-General and Council would be more or less in a secure position to execute extensive reforms contemplated by the Act. After the expiration of this period of five years the house was expected to be set in order, and the power of nominating and removing the succeeding Governor-General and Council would again devolve upon the Court of Directors.<sup>5</sup>

In the event of a vacancy in the Council, the Court of Directors might appoint a successor subject to the King's approbation. On a vacancy occurring in the office of Governor-General it was, however, stipulated that the Councillor next in rank was to succeed "during the remainder of the term aforesaid". In such an eventuality this would reduce the chance of manoeuvring to the minimum for this important post.

#### Office-organisation :

The functions that the Company's Government was required to perform during the period under review must be said to be the bare minimum from the modern standard of a welfare state. Its duties might be grouped under two heads : commerce and general. The general head principally included the administration of revenue and justice including the police and the foreign relations. Education, health, constructions of roads, irrigation works, etc., which were among the essential functions of any modern state were still outside the purview of the Company's Government at that time. In this respect its nature was similar to that of the Mughal Government.

But there was a significant difference in the arrangement made by the two Governments for discharging the minimum



functions. The Mughal Government used to appoint for the purpose a number of individual officers. But the way in which the Company's Government would generally discharge them was by appointing Committees. These Committees not always constituted the parts of one larger whole but were used to mean a group of persons to whom some functions were 'committed' or entrusted. A government by committees was a distinct contribution of the British genius to the art of government, and the system was introduced into India through the instrumentality of the Company. This arrangement for transacting business had, however, family resemblance with the municipal system rather than with the portfolio system of administration.

Before we proceed to deal with the method of transacting business by the Governor-General and Council, we shall perhaps do well to point out that the both Regulating Act and the Court of Directors required the new Council to work mainly according to the pattern of its predecessor. Thus it was to strictly attend to not only the standing orders of the Company but also "to all such orders and instructions, as the Court of Directors have transmitted to the Governor and Council, or Select Committee of the said Presidency".<sup>6</sup>

It was the custom with the Bengal Council to divide business into certain broad groups. This division was, however, somewhat clumsy and sometimes overlapping too. It used to appoint committees—each committee to transact a specified group of business although as a result of overlapping, the differentiation of functions was not always clear. These committees were again of three types: (a) The Governor-General and Council formed themselves into some committees for transacting certain groups of business, and in such cases,

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6. General Letter from Court to Bengal dated 29th March, 1774, para. 39.

the proceedings of the different committees used to be kept separate ; (b) some of the members of the Council itself were at times entrusted with the management of certain specified groups of business subject to the ultimate supervision of the Governor-General and Council, and they constituted committees for these purposes and (c) committees were also formed with some of the senior servants of superior capabilities for transacting some delegated groups of business, and the proceedings of these came before the meeting of the Governor-General and Council at regular intervals. In fact, the Company's Government could be said to be one of committees—a committee at the top in the shape of the Governor-General and Council and a series of committees under them. Collective responsibility instead of individual responsibility was the rule of the order.

This mode of transacting business through committees not only facilitated the transaction of business but also facilitated correspondence with the home authorities in England and also with the Governor-General of the sister Presidencies where too often there were similar committees—committees particularly similar to those which were more important and into which generally the Governor-General and Council formed themselves. A particular committee used to correspond as far as possible with a similar committee either at home or at any of other two Presidencies.

We shall now attempt to give a description of the committees of the Bengal Government and see what were their respective functions.

### Secret and Public Departments :

Originally the Governor and Council used to transact all their business in a single general department. After the Company had come to play an important role in the political life



of the country, this practice gave rise to manifold difficulties. So, on the suggestion of Graham, its secretary, the Council resolved on 3rd November, 1763, to form itself into two separate departments—Public and Secret.

The Public department was to deal with the traditional business of the Company like shipping, revenues, fortifications, accounts, appointment of servants, etc., while the Secret department would deal with matters which required secrecy like military plans and operations and transactions with the country governments. There would remain only one Secretary for both the departments. But their proceedings would be separately maintained and separately despatched to the Court of Directors. The plan came into effect from 1st January, 1764.

This order of things was not immediately disturbed after the inauguration of the new regime, though in December, 1775, the way in which business was being conducted in these two departments came under examination. John Stewart, Secretary, brought to the notice of the Governor-General and Council that work in the two departments was suffering greatly for want of experienced and efficient staff. The emoluments that the employees of these departments received were not relatively attractive and their work here was also very tedious. So the more capable of them almost always availed themselves of the next opportunity for "some more advantageous employment". The Secretary therefore proposed that the salaries of their offices should be made more attractive and should increase in gradation "from the juniors to the seniors" so that a hope of promotion would induce them "to continue in the office".<sup>7</sup>

This memorandum on the part of the Secretary, however, failed to improve matters much. It was only natural because

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7. Bengal Public Consultations of 18th January, 1775.

the considerations of economy were uppermost in the minds of the members of the Council who only asked the Secretary to employ writers according to the exigencies of the situation. <sup>8</sup>

For about a decade from even after the installation of the new Council in power no radical change was, however, effected in the management of the Public and the Secret departments. As before, these continued to be managed by a single Secretary, although their proceedings were kept separate. Then, in September, 1783, a step was taken to complete the separation between the two departments, each under a different Secretary. There were two reasons for effecting this separation. Firstly, due to expansion of the sphere of duties of the Council the load of business had been gradually increasing for some time past in both the departments and it was no longer possible for one Secretary to give "requisite attendance on both". Secondly, in the other two Presidencies, the Secret department had been made completely separate from the Public department. Bengal too should therefore fall in line. <sup>9</sup> A greater uniformity would thus be introduced in the governmental structure of the three Indian Presidencies. This would also facilitate mutual intercourse.

Though the need for such separation was being felt for some time past, the necessary step was not taken mainly out of inertia. The resignation of Peter Anriol, Secretary to these two departments, however accelerated the course. His health had completely broken down due to overwork. So he now sought the permission of the Council to resign from his post and return to England. The question of making a new arrangement naturally came up before the Council, and it took this opportunity to execute the long-due reform by appointing two Secretaries for the two departments—Public and Secret.

8. Bengal Public Consultations of 18th January, 1775.

9. Ibid., 23rd September, 1783.



Lest the work in the two Departments should suffer, an adequate establishment was also sanctioned for each of them. The value of the establishment sanctioned for the Public Department was Rs. 6, 450 and that for the Secret Department was Rs. 5, 500. The expenditure to be incurred on account of the menial staff was not, however, included in these sanctioned amounts.

The functions of the Public and the Secret Departments came also to be re-defined now. The Public Department was to take "cognizance of all letters from the other provinces, not of a political nature, and from China, of all matters which regard commerce and shipping, of all private and personal applications and of all transactions with the subordinate offices of Government in their public capacity and of a public nature". It is the last-named function of the Public Department with which we are mainly concerned here.

The functions of the Secret Department comprize "all subjects of a political nature, all the correspondences with the President and Select Committees of the other Presidencies, also with the Councils there on political affairs, all the correspondences with the Residents at foreign courts and at Benares, all transactions with foreign nations and powers and every military operation or movement of troops, which is either ordered or taken". In this Department the Governor-General and Council dealt with the administration of criminal justice of Bengal which, according to strict law, fell within the Nawab's domain.

William Bruere, Assistant Secretary, was appointed Secretary to the Public Department, and Edward Hay, Sub-Secretary in the Secret Department, was given the Secretaryship of the Secret Department. The records belonging to the latter Department were confidential in nature and should not, there-

fore, be exposed to "improper inspection". So it was decided that the papers of this Department should not be accommodated with those of the Public Department in the same building.<sup>10</sup> In respect of both personnel and accommodation the separation between these two departments thus came to be complete.

The arrangement described above was, however, to take place only after the embarkation of Auriol. In fact, it was carried into effect on and from 3rd December, 1783.

### **Military Department :**

Along with the civil government the Regulating Act vested the Council with military powers also, and the Court of Directors issued instructions to the Council as to how it should exercise this military authority.<sup>11</sup> Broadly speaking, this authority consisted of two parts : (i) to exercise control over the army during peace times as well as during war times, and (ii) to deal with some routine affairs like distribution of the army, alterations in the establishment of the corps, rules of promotion, pensions, expenditure, etc. The Governor-General and Council exercised the actual and ultimate power over both these aspects of the military authority.

The first part of the authority which was the military authority proper used to be exercised by the Governor-General and Council in their Secret Department. In the Military Department they were to deal with the more or less routine affairs of the army. So long these affairs were being mostly dealt with by the Governor-General and Council in the Public Department. Again, the Secret Department and the Controlling Military Committee which was constituted in 1771 used to look after a part of them. The result was that there was no

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10. Bengal Public Consultations of 23rd September, 1783.

11. See pp. 50-51 ante.



systematic and compact record of these routine military affairs of the Company. The Military Department was, therefore, created in 1777 in pursuance of a proposal submitted by the Governor-General and Council on 30th October, 1776. Relevant proceedings which now lay scattered in the consultations of the other Departments would be transferred to this newly created Department. Its purpose was mainly to centralise and systematise informations.

The Town Major was appointed its Secretary and an establishment of Rs. 600 was also granted to him.

The Governor-General and Council were to meet in this Department on the first wednesday of every month and oftener, if required. Its first meeting took place on 22nd January, 1777.<sup>12</sup> Towards the end of the same year it, however, became the practice to dispose of business "in circulation" instead of holding meetings.

### Foreign Department :

On 3rd December, 1783, i.e., on the day on which a complete separation was effected between the Secret and the Public Departments, it was also decided by the Governor-General and Council to record its proceedings regarding foreign nations in a separate branch to be known as the Foreign Department. This decision actually came into force on 10th December, 1783. The Secretary of the Secret Department which so long dealt with these affairs was entrusted with the charge of this new Department.<sup>13</sup>

### Revenue Department :

In conformity to the age-old custom of the country the Revenue Department was to deal not only with the revenue

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12. Bengal Public Consultations of 30th October, 1776. The document kept in the National Archives of India is damaged and not wholly legible.

13. Foster's Guide, pp. 43-44.

administration proper but also with the administration of civil justice. We are not, however, concerned here with the paraphernalia of the administration of revenue. We shall only see how revenue matters used to be considered by the Governor-General and Council.

Even for some time after the acquisition of the Dewani the Company's Government here did not come forward to discharge its responsibility for the entire civil administration. Not to speak of the administration of civil justice, even the actual collection of revenue was not made by it. In 1771, a Controlling Committee of Revenue was constituted for the inspection and regulation of the Company's revenue matters. But, subject to the supervision of the Company's Government, the collection of revenue was left, till 1772, in the hands of the two Naib Dewans.

In 1772 Hastings gave effect to the resolution of the Court of Directors "to stand forth themselves in the character of Dewan". He accordingly abolished the two posts of Naib Dewans, and the revenue administration was placed under the direct control of the Governor-General and Council, who thus constituted themselves into a Board of Revenue. It remained in existence till 1781.

In 1781 in pursuance of a policy of centralising the revenue-administration, a Committee of Revenue consisting of four Covenanted servants of the Company was formed at the metropolis. It would deal with revenue matters under the immediate control of the Governor-General and Council. Though by 1781 the machineries for collecting revenue and administering civil justice had been made separate, the Governor-General and Council as usual continued to consider both the matters in the Revenue Department.



### Foujdari Department :

It appears that by 1781-82 the Governor-General and Council brought into being a new committee called the Foujdari Committee. The Remembrancer of Criminal Courts was required to send to this Committee at regular intervals reports collected from the districts about the administration of criminal justice. The reports were to be marked "Foujdarry."<sup>14</sup>

### Department of Inspection :

We shall now mention some notable departments of the Council which exercised general control and supervision over its other departments. One such department was the Department of Inspection, otherwise known as the Department of Reform. The very name of the Department indicated the nature of its work. That is to say, its aim was to effect economies in the various establishments of the Government. Consequently the audit of public accounts came to be included within its duty.

In 1766 the Select Committee first decided to form itself into a Committee of Inspection. But it did not seem to have met at all. In April, 1772, the President and Council resolved to meet as a Board of Inspection. But it seems that this resolution too was not given effect to. In May, 1773, the Council reiterated its decision. Since then it used to occasionally meet in the Public Department when its proceedings were recorded in a separate series of Public Consultations.

After the establishment of the Committee of Accounts in 1784 for auditing the Government accounts, the Department of Inspection, already in a moribund condition, was considered

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14. Bengal Revenue Consultations of 6th April, 1781.

superfluous, and a proposal was made to abolish this Department and transfer its records to the Committee of Accounts "at the first meeting".<sup>15</sup> The proposal was, however, not carried out. An attempt was then made to rejuvenate the Department by placing it under the charge of Hay, Secretary to the Secret Department. That means that the Department of Inspection would henceforward meet in the Secret Department as a result of which it came to be known as the Secret Department of Inspection. This step was perhaps taken with a view to keeping the proceedings of the Department secret as far as possible. Large-scale reforms in the various government departments like retrenchments, reductions in allowances, etc. were to be shortly executed. Lest the contemplated measures should give rise to a hue and cry, they must not come to light before their execution.<sup>16</sup>

### Committee of Treasury :

Another department of general control was the Committee of Treasury. As we shall presently see, all the members of the Council used not to meet in this Committee. Properly speaking, it was a Committee of the Governor-General and Council, only two members of the Council being placed in charge of it.

The earnings of the Government were deposited in its Treasury. No part of these earnings could be spent before they were such deposited. The spending departments of the Government could then withdraw money from the Treasury as and when they were authorised by the Government. The Treasury was, so to say, the custodian of the Governmental earnings and would not issue money to any department except on such authorisation. It was, therefore, a very important official institution.

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15. Bengal Public ( Home ) Consultations, 25th March, 1784.

16. Secret Department of Inspection Consultations dated 27th June, 1785.



Uptil the end of the period under review the Company's Government had not succeeded in bringing into existence an unified treasury. There were three different treasuries which were handling the Company's cash : ( a ) the Commercial Treasury at the disposal of the Board of Trade, ( b ) the Khalsa Treasury under the management of the revenue authorities, and ( c ) the General Treasury under the direct control of the Governor-General and Council. It is with the last-named Treasury that we are concerned.

At first the President and Council themselves used to control this General Treasury. Then in 1771 a Controlling Committee of Accounts was constituted. It consisted of five members of the Council. Then the Court of Directors, in its Instrument of Instructions dated 29th March, 1774, ordered the Council to form a Committee of Treasury with the Governor-General and "such other members as you ( i.e. the Council ) shall appoint". All the money on the Company's account was to be secured, as usual, under three locks, and the keys were to be kept by the members of the Treasury Committee. All applications for money should be made to the Council in writing specifying "whether they have any of the Company's money in hand, and to what amount, and also the particular services to which the money applied for is intended to be appropriated". The Committee of Treasury was to prepare monthly accounts of all money received and issued by the Council. Even those members of the Council who were not of the Treasury Committee might verify the cash-balance and report their findings to the Council at large. The said accounts along with the copies of all receipts, etc. were to be transmitted to the Court of Directors at every available opportunity.

According to this direction of the Court of Directors, the Committee of Treasury was constituted of two members of the

Council, Barwell and Francis, in addition to the Governor-General. They were entrusted with the custody of all the money in the General Treasury. The Treasury itself was in charge of a Sub-Treasurer who was made immediately responsible to the Committee. Barwell and Francis were each "allowed" a shroff and a civil servant to help them in discharging their functions in this Committee.

It, however, appears that the Committee of Treasury did not last very long. Afterwards the Sub-Treasurer himself became directly responsible to the Governor-General and Council for the management of the Treasury. <sup>17</sup>

### Committee of Accounts :

The Committee of Accounts was, so to say, the watch-dog of the Government money. It saw that no unauthorised payment was made out of the Treasury.

As was the case with many other Committees and Departments, originally the President and Council themselves were responsible for the audit of the Company's accounts. They used to exercise this function with the help of a Sub-Accountant. Then in 1771 a Controlling Committee of Accounts was formed with powers delegated by the Council. But the examination of accounts by a Committee was soon found to be not very suitable. Accordingly it was abolished, and a decision was taken that the members of the Council in its Department of Inspection would audit the accounts in rotation. The members used to do it through the Accountant General in the Civil Department and the Commissary General in the Military.

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17. General Letter from Court to Bengal dated 29th March, 1774—para. 38.

Also see Banerjea's *Indian Finance in the Days of the Company*, p. 58.



This practice appeared to continue upto the year 1783, when on the proposal of the Governor-General a Committee of Accounts consisting of six civil servants and a Secretary was constituted under the superintendence of a member of the Council. It was done on the ground that it was not simply possible for the members of the Board to give attention to "the various and multiplied details of the different Departments of this Government" and conduct all their business "without a delegatory authority".<sup>18</sup>

### Development under Macpherson :

Certain important reforms were carried out even in course of the interim administration of Macpherson. Direction from the Court of Directors and the policy of economy that Macpherson followed were the guiding factors behind the execution of these reforms.

The Court of Directors, in its letter to the Bengal Government dated 21st September, 1785, intimated its approval of the measure adopted in 1783 for effecting a separation between the Public and Secret Departments and directed the formation of three other boards : (1) a Military Board which was to be presided over by the Commander-in-Chief, (2) a Board of Revenue which was to be under the charge of a member of the Council, and (3) a Board of Trade which was to be similarly directed by another member of Council. The business both at home and in the other two Presidencies would also be remodelled on the same pattern. An uniformity of system throughout the Company's administration was thus visualised.

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18. This Committee was, however, soon found superfluous and was abolished in 1785, as we shall see afterwards.

Effect was given to these instructions in May, 1786, and in going to do so, Macpherson expressed "satisfaction at the general line or regulation" adopted in this letter because it would greatly facilitate correspondence with the sister Presidencies as well as with the Court of Directors. <sup>19</sup>

We shall now see how the new Boards were constituted ;

### ( i ) Military Board :

Evidently this new Board replaced the old one constituted in 1776. Unlike that body, it was now to be presided over by the Commander-in-Chief himself. While instituting this Board, the Governor-General eulogised the step now taken for the systematisation of the military affairs of all the Presidencies "on the same footing" and requested the Commander-in-Chief to form his own establishment keeping in view the need of observing economy. <sup>20</sup>

### ( ii ) Revenue Board :

The Committee of Revenue established in 1781 was now abolished after some hesitation, and a new body instituted. The question, however, arose as to which of the members of the Council was to be associated with it in the Presidential capacity. The Court of Directors did not "connect" the Presidentship of either the Revenue or the Commercial Department "to any particular rank in the Council". The matter, therefore, appeared to be left to the option of the members themselves or to the proposal of the Governor-General. The solution was found in a compromise of the two alternatives, and on the suggestion of the Governor-General,

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19. Governor-General's minute—Bengal Revenue Consultations of 8th May, 1786.

20. Bengal Revenue Consultations of 23rd May, 1786.



decision was left to Stables and Stuart themselves to select their respective department. And, to avoid a difficulty, Stables as the senior member of the Council was given the first opportunity to choose his department. On the ground that in the letter from the Court of Directors the Revenue Board was mentioned before the Commercial Board, Stables elected to preside over the Revenue Board. <sup>21</sup>

The Committee of Revenue was abolished on the proposal of Stables, but the four oldest members of the Committee were elected members of the new Board of Revenue. Johnson, another experienced member, was given a deliberative seat on it but without any right to vote as the Court of Directors had confined the number of members of the Board of Revenue to four only. Some new regulations were then framed to guide this body.

### ( iii ) Commercial Board :

This body which was placed under the charge of Stuart replaced the Board of Trade and thus largely eliminated the scope of conflict between General service and Commercial service that characterised Hastings's regime. Matters relating to shipping were also to be dealt with in this Department and not in the Public, as had hitherto been done.

Bruere, Secretary to the Public Department, was entrusted with the task of conducting both the Public and Commercial correspondences keeping them separate.

The reforms described above thus introduced specialisation in the Council of Bengal.

### Public and Secret Departments :

Further reforms were carried out in the Secret and Public Departments, the establishments of which sanctioned in 1783 were subsequently found to be too extensive.

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21. Bengal Public Consultations of 18th May, 1786.

### Establishment Reduced :

Therefore, following an order from the Court of Directors, the Governor-General issued an order on 28th September, 1785, "for reforming the expense of the Secretary's office in the Public and Secret Departments". So far as the Secret Department was concerned, the number of Covenanted servants was reduced to (i) a Sub-Secretary, (ii) two Assistants, and (iii) two Examiners.<sup>22</sup> This order was carried into immediate effect on 1st October, 1785. But certain difficulties having cropped up in the incidental arrangement, the Secretary of the Secret Department wanted advice from the Governor-General and Council on 14th November, 1785. The difficulties were sought to be met by ordering a more general re-arrangement of personnel, with reduced "pensions" for some. A vacancy in the Examiners' office was, however, filled up.<sup>23</sup>

### Reorganisation in the Secret Department :

An attempt was then made in May, 1786, to re-organise the functions of the Public and Secret Departments on the pattern obtaining in the other two Presidencies. Accordingly it was ordered that the military affairs belonging to the Public Department were henceforward to be managed in the Secret Department. In addition, the business so far transacted in the Foreign Department came to be managed in this Department. This largely increased the volume of business in the Secret Department. Hay, Secretary of the Department, therefore, proposed a re-arrangement of its business. On his proposal three branches were now created—Secret and Political, Secret and Foreign, Secret and Military. The business which was

22. Letter from Secretary, Secret Department, to Governor-General and Council dated 14th November, 1785—Foreign Department (Secret) Consultations of 22nd November, 1785.

23. Ibid.



so long transacted in the Secret Department began to be transacted henceforward in the Secret and Political wing. The functions hitherto discharged by the Foreign Department came to be now the functions of the Secret and Foreign wing. A part of the military business so far belonging to the Public Department became the functions of the Secret and Military wing. This military business included, among other things, all personal applications from the military personnel, all military subjects which were not of accounts or of political nature and military commissions. The plan came into force since 31st May, 1786.<sup>24</sup>

#### **Military Department of Inspection :**

In addition to the Secret and Military branch of the Secretariat, which was under Hay, a Military Department of Inspection was formed in the summer of 1786, Lt. Col. Kyd acting as Secretary. Its duties as defined in a General Order of 2nd August, 1786, were to deal with all memorials laid before the Council respecting military rank, all appeals from the audit of the Commissary General, all military contracts and agencies and all correspondence with the new Military Board. The usual army returns were also in future to be submitted through this Department. The exact effect of the change was not evident.<sup>25</sup>

Separate consultations were also started in 1785 for transactions with Fort Marlborough and Penang.

#### **Changes in the Departments of Financial Control :**

Under Macpherson certain significant reforms were introduced in the arrangement of providing financial control over the various Government departments. The changes thus

24. Foster's Guide, p. 48.

25. Ibid., p. 49.

introduced were quite in keeping with the general policy of economy pursued by the Court of Directors and the administration of Macpherson.

In July, 1785, the Court of Directors discountenanced the idea of having a separate Committee of Accounts because it was both superfluous and expensive and asked the Governor-General and Council "to set apart at least one day a week for assembling as a Board of Inspection" and establish "an effectual check and control in every branch of expenditure" with the help of the Accountant General in the civil department and the Commissary General in the military.<sup>26</sup> After abolishing the Committee of Accounts an attempt was thus sought to activate the Board of Inspection which had been generally in a state of moribund condition.

#### Mode of Proceeding in the Council :

When a subject came up before the Council, it used to discuss it in the appropriate Committee. Every member then started entering explicit minute upon it. These discussions would be fully recorded<sup>27</sup> and officially known as 'consultations'. Original copies<sup>28</sup> of these consultations were regularly sent home. All these practices owed their origin to the fact that, before the Parliamentary intervention, the status of the Council was no better than a subordinate machinery of the Court of Directors to execute its orders. The Court must, therefore, have a full report of the views and activities of all

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26. Company's General Letter to Bengal dated 8th July, 1785.

The Maratha war was over by this time. So the Court of Directors expected that the Governor-General and Council would now be able to devote more time to financial matters.

27. Even the opinion of member absent from a meeting would sometimes be subjoined to the proceedings of the day.

28. Usually three copies were to be sent—General Letter from Court to Bengal dated 29th March, 1774, para. 37.



its members so that it could freely comment upon them. This also enabled the Court to get a view of all the sides of a question and form its own opinion about it. The Regulating Act virtually advocated continuation of this practice now that such proceedings of the Council when sent to the Court of Directors would help the latter to submit reports before His Majesty's Ministers, as required by the Act. For this purpose the Bengal Government was also to send regularly consolidated reports from all the Presidencies.<sup>29</sup>

The Company thus introduced, though under the stress of circumstances, a system of written government into India. Prior to it, the character of the Government, both under the Hindus and the Mahommedans, was more or less personal in nature, and there were hardly any written minutes of discussions of policy. In the absence of records there could be no social communication, and the rulers could have little means to maintain continuity in the matter of social co-ordination.

A basic shortcoming that arose from the very nature of the written Government of the sort introduced by the Company here was that it tended to give rise to protracted discussions and was hardly conducive to speedy decisions. The situation particularly worsened after the inauguration of the New Regime under the Regulating Act when a factional spirit came to dominate almost all its proceedings for some time at least.

Thus decisions regularly and lawfully taken at one meeting of the Council were often reversed at the next meeting.<sup>30</sup> Sometimes a letter which it was previously resolved by the Council to write was subsequently cancelled without the

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29. Section IX.

30. See Bengal Secret Consultations of 2nd March, 1778 and of 5th March 1778 and Bengal Public Consultations of 22nd November, 1779 and of 23rd November, 1779.

consent of the signatories to it and effaced entirely from the Book of Consultations. <sup>31</sup> Another factional practice was the repeated refusal by either group of the Council to sign resolutions, letters, contracts, etc. which were passed in the Council by a majority of votes but to which it did not subscribe, thus contravening a standing order of the Court of Directors. <sup>32</sup> On each of these issues acrimonious debates used to be held in successive meetings. This would seriously hamper the progress of business in the Council.

### Congestion of Business :

The factional spirit pervading almost every meeting of the Council during the early part of the period under review, however, resulted in a tremendous congestion of business in it. The situation was graphically described by the Governor-General in a minute. <sup>33</sup>

".....the resolutions of Council, instead of being concluded merely by the opinion and decision of the major part, according to the strict letter of the Act of Parliament, are formed of proceedings and dissents, are filled with minutes dictated to the Secretary previous to the passing of almost every resolution ; the length of these minutes is arbitrary, and however I am sensible of the delay and embarrassment which in a divided Council are thus occasioned, I have never attempted either to interfere or to limit the exercise of this custom. In my minute of the 21st instant I declare my opinion in express terms, that a member of the Board undoubtedly possesses that privilege of recording his senti-

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31. Bengal Revenue Consultations of 29th November, 1776.

32. Bengal Secret Consultations of 19th June, 1775 and 20th June, 1775 and Bengal Revenue Consultations of 29th November, 1776, 10th December, 1776, 27th December, 1776, 4th March, 1777, 4th December, 1777 and 9th February, 1778.

33. Bengal Revenue Consultations of 30th March, 1777.



ments by minutes dictated at the Council Board. The ample opportunity of exercising this privilege which every member enjoys, will best appear from the frequent meetings of Council. The orders of the Company direct us to assemble twice every week : our records will prove that, except at the despatch of a ship I generally summon Councils five times a week ; and the consultations will show how much of the four or five hours which we spend at the Board is taken up in dictating argumentative minutes to the Secretary".

The situation was, of course, further aggravated by the convention that every member must express his opinion upon every motion before the Council. This might facilitate thorough discussions of an issue but it was not at all conducive to reaching speedy decisions. <sup>34</sup>

### Circulating Method :

A new short-cut devise was, therefore, evolved, to cope with the situation. It consisted in circulating a motion to the members of the Council for recording their opinions and then reaching a decision by determining the votes of the majority but without any regular debate. This was the only practice which, though a product of the party-strife, did not terminate with it and was found to continue till the end of our period. It lasted due to its obvious utility because it served to economise time.

Though by the end of 1776 the 'circulating method' had come to be an accepted mode of transacting business by the Council, it became a subject of debate towards the first half of the year 1777. Hastings brought three ready-made resolu-

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34. On "delicate and uncommon" questions the opinions of the members were taken according to seniority—Hastings's minute, Original Consultations, 1778, 14th December, No. 5.

tions before the Council and submitted them directly to the votes of the members with the expression of an opinion that as the co-operation from Clavering and Francis was not forthcoming, he should think himself "justified in choosing such measures in conjunction with the only member of the Board on whom I can rely for assistance". This provided the occasion for a controversy over the essential nature of the 'circulating method'.

Clavering gave the opinion that any resolution must arise from the debates of the whole Council, and the mode of "circulating" a question in its essential nature did not contradict it "for no member gives his vote without annexing his opinion, which goes in circulation for the information of the next member".

The minute of Francis on the subject was, however, more penetrating and analytical. The first thing he pointed out was that the determination of a question "by the majority of suffrages alone" properly belonged "to a popular assembly and in nowise to a Council of State". His second contention was that in the provision dealing with the difference of opinion among the members of the Council the Act used the words 'consultation' and 'decision' which certainly supposed debate and deliberation. It might so happen that if the opinions of all the members were heard, the decision of the Council would have been otherwise.<sup>35</sup>

Both Clavering and Francis, therefore, argued that the fault lay not in the 'method of circulation' itself but in the abuse of it by Hastings.

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35. Bengal Revenue Consultations of 20th March, 1777; 25th March, 1777; 26th March, 1777; 30th March, 1777; 31st March, 1777 and 1st April, 1777.



The foregoing review will show that with the process of time the office-organisation of the Council had become more and more equitable although it was still far from satisfactory. There was also evident a tendency to introduce specialisation among the members of the Council. An uniformity had sought to be increasingly introduced between the office organisation of the Bengal Government on the one hand and those of the other two Presidencies on the other.

One of the great defects of the office-organisation of the time was that though there were different Committees, there was as yet no Secretary-General to co-ordinate their work. This co-ordination used to be generally done by the Governor-General and Council themselves. Thus the Secretaries of the different Committees were required to attend the Council every week with the proceedings of their respective Committees.<sup>36</sup> In this connection we should also mention that it was a sad commentary on the character of the Company's administration that it had not thought it fit to accord independent recognition to the administration of civil justice and to bring into being a separate committee to deal with it. The administration of civil justice was still being looked upon only as an accessory to the collection of revenue. The post of Secretary-General and a separate judicial department dealing with both civil and criminal justice were for the first time created by Cornwallis.

Even a cursory glance at the consultations of the Governor-General and Council in their different Committees would make it evident that they often used to exercise control over their "subordinate stations" even in minute details. This not

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36. Auriol who was Secretary to the Council from August, 1775 to December, 1783 said that he used to attend the Governor-General almost daily, even Sundays not being excepted. Hastings would counter-sign all bills.—Minutes of Evidence Vol. II, pp. 2207—2210.

only curbed the initiative of the latter but also told upon the efficiency of the former. The matter has been beautifully expressed in a minute of shore delivered in the Revenue Department on 18th May, 1785. He justly said that the Council should only be "a Council of comptrol" and "should not interfere in the executive duties of subordinate stations".



## CHAPTER FIVE

### Civil Service

The role of civil service below the higher and managerial and policy-framing levels in the administrative set-up of the country cannot be over-emphasised. The civil servants were employed both in the central offices and in the districts for translating law into action. It is again they who would collect the necessary informations and submit them for the consideration of the Government to help it in formulating correct policies. In this double-acting process the civil servants were, so to say, the agents and arms of the Central Government. But for their unremitting labours the Government would only be a conglomeration of rules and regulations suspended in the mid-air without force or effect upon the people.

The term 'civil service' was first used by the East India Company to denote its establishment of civilian employees in India by distinguishing it from its military, maritime and ecclesiastical establishments. But the class of civil servants was by no means absent even before the advent of the Britishers in India. Here the service might be said to be created for the first time by the Maurya Emperors for the efficient administration of their Empire. It was then improved upon by the Guptas. The foundation of a Muslim administrative service was laid down by Sher Shah. Subsequently Akbar built upon this foundation. The very fact that they, from the very outset, appeared on the Indian scene in the rôle of conquerors and had to administer a not very hospitable alien race imparted somewhat military character to the Muslim administrative service. Every official of the Muslim Government including even a judge of canon law had to be

enrolled in the army list, and a suitable army rank was allotted to him. This feature owed its origin to the nomadic civilisation of the Mongols. The civil services of both the Hindu and the Mahommedan periods developed according to a more or less premeditated design.

But the history of the growth of the Company's civil service was somewhat different, and it had no historical connection with the country's past. Originally it was exclusively commercial in nature. It then transformed itself into a public service in a slow and haphazard way. The growth of this service amply illustrated how from small beginnings gigantic institutions could be reared.

### Grades :

The service was graded from the very outset. The grades continued to have commercial nomenclature which bore testimony to the historical origin of the service. Before 1694 it appears that the Company's servants used to get their first appointment as 'apprentices'. The practice of appointing apprentices ceased from 1694. Henceforward the servants were directly appointed as 'writers' who were engaged mostly in routine-work, viz., copying letters, keeping accounts, etc.<sup>1</sup> At the end of five years they became 'factors'. Their allotted duties were more or less similar in nature to those of writers but on a more extensive scale. In that capacity they worked for three years. Then he rose to the rank of 'junior merchants'. After a period of three years he was promoted to the rank of 'senior mer-

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1. Foster's John Company, P. 13.

A considerable number of persons were employed chiefly for copying minutes and papers for the Council and the Court of Directors and "for copying other necessary papers".—Deposition of Auriol—Minutes of Evidence. vol, II. p. 2205.



chants'. From this cadre appointments were made to the posts involving the highest responsibility. Thus the members of the Supreme Council, the persons engaged in the management of the higher Governmental affairs and the Chiefs of factories were all selected from among the senior merchants. In case of a vacancy, the post of Governor was also within their reach. In filling up this post seniority and merit were both taken into consideration.<sup>2</sup> This grading of the Company's service remained in force till 1839, i. e., five years after the Company had ceased to be a trading concern.

### New Role :

When, in course of time, the Company became a territorial power, the task of administering its territories also devolved upon its commercial servants. Merchants were converted into administrators overnight. During the period under review the Company's service was bifurcated, and a commercial service separate from the general service and entirely devoted to managing the commercial affairs of the Company was created.<sup>3</sup> From now on the members of the general service had nothing to do directly with the Company's commerce. The task of administering its territories devolved exclusively upon them.

The functions of the Company's Government were then mostly elementary in character. As a result, the duties that these members of the general service were called upon to perform were not much complicated. Besides office-work they were mainly to collect revenue and administer civil justice in the districts. For a people belonging to an alien race and having no tradition and training in the fields, to discharge

2. Gleig, op. cit, vol. I, p. 24.

3. General Letter from Court to Bengal dated 29th March, 1774-Para, 4. Bengal Revenue Consultations of 25th November, 1774.

these tasks was no easy affair since both the tasks required a good amount of technical knowledge as well as an intimate acquaintance with the manners and customs of the people. The revenue-settlement would require, among other things, the consideration of a multiplicity of rights and obligations with all their local variations. And the administration of civil justice would involve the application, to the several disputes, of the indigenous laws, both Hindu and Mahomedan, which upto then were mostly uncodified.

In course of the following review we shall try to see how far the Company's servants could rise to the occasion and thus meet the challenge of the situation by outgrowing their commercial tradition.

### **Appointment :**

The Court of Directors enjoyed the sole right of appointing the covenanted civil servants. An application for appointment to the Company's service was to be made to the Court of Directors which, in its turn, referred it to its Committee of Correspondence for its consideration. The recommendation of this Committee was generally accepted by the Court of Directors.<sup>4</sup> The selected candidate was then required to sign a covenant which embodied certain conditions of service between himself and the Company. Hence he was called a covenanted servant.

A writer, while executing the covenant, had also to deposit a security of £ 500 for the due observance of the conditions contained in it. As he would rise in station, the amount of this security would also increase though the form of the covenant remained unaltered.

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4. Appendix 4—Ninth Report, 1782.



At first the applications of the candidates used to be judged on their own merits. The patronage method was introduced in 1714 to guard against the entry of undesirable elements into the Company's service. Since then the Directors had begun to look upon it as one of their privileges and had fought to maintain it. The patronage was apportioned to them according to their seniority. Some of them might sell their patronage or utilise it to procure and maintain seats in Parliament. But, on the whole, the Directors who were men of wealth and independence did a fair distribution of the patronage. After the institution of the Board of Control in 1784 the Court of Directors, out of courtesy, placed some amount of patronage at the disposal of the Board. Ordinarily the latter too did not misuse it.

This mode of appointment by patronage had sometimes resulted in the over-staffing of the administrative machinery. Under this system the emoluments attached to the posts were not always "proportioned to their importance, or the abilities required for discharging them."<sup>5</sup> A restrictive policy in regard to the fresh appointment of the civil servants was, however, followed by the Court of Directors since 1782. In 1784 this policy was confirmed by the Parliament. By virtue of the 40th and 41st clauses of Pitt's India Act the Court was prevented from making any fresh appointments until account had been received from Bengal.<sup>6</sup>

#### Auxiliary aid :

Originally, however, the number of the covenanted civil servants who were sent from England was found to be not at all sufficient for the purpose. So auxiliary aid had to be called in according to the requirements of the situation. At first an attempt was made to meet this demand for additional

5. General Letter from Bengal to Court dated 5th May, 1781.  
Also see India Tracts, 1786, pp. 109-110,

6. Auber's Rise and Progress, Vol. 11, pp. 41-42.

strength by requisitioning the services of military men for the performance of certain specified civil duties.<sup>7</sup> But the arrangement was not found satisfactory. The materials available at hand were then harnessed. Indian and Portuguese writers began to be employed "to relieve the covenanted officers of the drudgery of the desk." Moreover, from the very start Indian *gomasthas* used also to be engaged on monthly wages for making purchase of goods from the interior of the country for the Company's investments.

After the acquisition of the Dewani the scope of work of the Company's servants increased greatly, and the nature of their work also underwent a qualitative change. The demand for judicial and fiscal administrations had now to be met. The available covenanted servants of Company were neither sufficient nor competent enough to perform these works. In fact, one of the reasons for Clive's reluctance to undertake the direct management of the Dewani was the alleged shortage of the Company's covenanted servants. Under the system introduced by him only the top administration was manned by the Company's covenanted servants, and the indigenous machinery was kept intact below. When Hastings was placed at the head of Bengal Government, he undertook the management of the Dewani directly through the Company's agency. With this purpose he began to pursue a more vigorous policy of Europeanising the administrative personnel of Bengal. So, Englishmen were now placed at the head of the district machineries. But they were not as yet conversant with the languages, customs, usages, etc. of the men they were to administer. For this purpose they could not but take the help of the Indians.

Those Indians did not enter into any covenant with the Company's Government and they had not yet any defined status, although some of them, particularly at the top of the

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7. Calcutta Review, Vol. XXXVI, 1861, p. 378.



revenue-administration, were given enormous salaries obviously with a view to getting uncorrupt and efficient service from them. The uncovenanted servants were mostly recruited to meet the exigencies of a situation and ordinarily held their posts at the pleasure of their covenanted employers. But still there were certain advantages of an employment under the Government, and the alternative sources of employment were also not many. So men of superior abilities began to be increasingly attracted into the Company's service, and tasks of greater responsibilities were entrusted to them. A subordinate service thus came into existence. The history of the rise of modern Indian middle class is largely connected with the rise of this Indian subordinate service.

The Court of Directors was not, however, favourably disposed towards the employment of uncovenanted servants in a large number and that also to high positions. This was probably because the system restricted the scope of its patronage, and such servants were also not much amenable to their control. Thus we see that in 1782 when the economic position of the Company deteriorated much and consequently the employment situation of the covenanted servants became serious, the Court of Directors categorically asked the Bengal Government not to give appointments to anyone except the covenanted servants of the Company.<sup>8</sup> Accordingly, in May, 1783, an attempt was made by the Government of Bengal to make some re-adjustments in the services.<sup>9</sup>

### **Intellectual Fitness :**

We shall now see how far the covenanted servants of the Company were intellectually qualified to undertake

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8. Company's General Letters to Bengal dated 12th July, 1782 and 26th September, 1782.

9. Bengal Revenue Consultation of 6th May, 1783.

the new responsibility born of the acquisition of large territories.

Appointments being by patronage, education was not considered necessary by the Company for its civil servants. At first only good penmanship and, after 1682, a knowledge of commercial accounts were all the qualifications that required of a candidate for writership. This might be sufficient, so long as the Company was purely a commercial organisation. But surely this was not so after the Company had become a territorial power. Parliament sought to improve the moral fitness of the Company's servants, and, so far as their intellectual fitness was concerned, it left the matter where it was. In the eighteenth century England was concerned far more with the development of the Parliamentary executive than with the administrative improvements. The patronage method of making appointments was then in vogue in England too. In this respect, therefore, the Company simply followed the general practice of home. Although a civil service in the modern sense of the term had already come into being in Germany, the Company did not think it fit to take any lessons from her.

Reliance was then placed more upon imbibing the tradition of the service than upon formal education. The Company's servants started their career in the service at the young age of 16 or 17 when their minds remained very impressionable. The patronage was generally confined to a limited number of families. It was therefore expected that on reaching India a young servant would find relatives and friends here who would give him hospitality and guidance. Appointments at an early age were also necessary because it would be difficult for men somewhat advanced in age to outlive the rigours of the hostile climate of a tropical country. The transplanting of a tree is always easier when it is still young.



Ordinarily the servants got their initial appointments as copying clerks in the central offices at the Presidency town and thus became acquainted with "the routine of the service". The work in the central offices was tiresome, and their emoluments here were also paltry. So they generally took the next available opportunity to be employed in the districts where the offices were far more lucrative and their duties were also not so strenuous.<sup>10</sup> The collection of revenues and the administration of civil justice were the two principal tasks that devolved upon them in the districts.

The informations about revenue-affairs constituted a closely guarded secret in the hands of the hereditary Indian revenue-agents like the zamindars and the kanungoes. Confronted with their opposition the servants of the Company were quite helpless. They could not make out how much to assess and in what way and from whom the revenue was to be immediately collected. Experiments after experiments were made but without much fruitful result.

Nor was their position in field of the administration of civil justice happier. In many cases their general education did not go beyond the primary stage, and they were also given no professional training. They did not possess the maturity of age, so essential for a judicial profession. Nor were they generally acquainted with languages, laws and customs of the local people. In some cases the administration of justice was only one of the many functions they were called upon to perform. It is true that there were conscientious persons among the Company's servants who refused to accept judicial posts owing to all these reasons.<sup>11</sup> But their number was small. Generally the civil servants with all their shortcomings

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10. Bengal Public Consultations of 18th January, 1775 ; Lives of the Lindsays, Vol. III, p. 161.

11. Proc. of Calcutta Com. of Rev. of 6th Jan., 1780.

accepted judicial posts in an unconcerned way. Mostly their judicial duties were incidental to and followed from, their remaining associated with the revenue-administration. Recourse was, therefore, had to a back-door policy by these "judges" for solving their difficulties. Indian officers, Hindu and Muslim, were appointed with the alleged purpose of advising the "judges" on points of law. But the latter referred to them also the tasks of determining facts as well as of preparing judgments. These ready-made judgments were then delivered by the "judges" as their own. Even where there was no provision for such Indian law-officers in the officially granted establishments, they somehow managed to find money, appointed such officers and virtually delegated to them their judicial functions.<sup>12</sup>

Such delegation of judicial functions by European servants of the Company infringed a well-known salutary English principle of *delegatus non potest delegare*.<sup>13</sup> This means that the Sovereign who was the fountain of Justice might not have the same confidence in the persons to whom the judicial power was delegated as in the person or persons whom he directly entrusted with the power. As a matter of fact, the Indian officers of law often used to discharge their "judicial" functions in a most callous way and without paying due regard to the established rules of procedure. In the famous Patna Cause of 1777-79 the matter came in for sharp criticism by the Supreme Court.<sup>13</sup>

Though the actual position was thus very discouraging, a significant step was taken by the middle of the period under review to remove the long-standing handicap under which the European judges had normally to function. Halhed in

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12. Letter from Murshidabad Council to Governor-General and Council, dated 1st June, 1778—Bengal Revenue Consultations of 29th January, 1779.

13. Touchet Report, Patna Appendix, No. 17.



collaboration with Wilkins translated the *Code of Manu* ( a treatise on Hindu laws ) in 1776, and Hamilton translated the *Hedaya* ( a book on Muslim laws ) in 1778. This was to enable the Company's English servants to be intimately acquainted with the letter and spirit of the indigenous laws. As a result, they would no longer have to depend exclusively upon the Indian law officers for the determination of suits. These oriental studies got an added momentum when, no long afterwards, the four enthusiasts—Hastings, Jones, Wilkins and Halhed—founded the Asiatic Society of Bengal in Calcutta.

These were, however, all non-official endeavours and had only a limited value. No systematic attempt had so far been made on the official level to impart intellectual fitness to the Company's servants. Some crude beginning towards the education of the Company's servants was made only in 1790 when a writer on his arrival at Calcutta was granted a monthly allowance of Rs. 30 to hire a *Munshi* for taking lessons from him in Persian and other local languages. The first systematic and elaborate attempt towards this end was, however, made during the Governor-Generalship of Wellesley when the College of Fort William was established in 1800.

### Moral Fitness :

It was not enough that the civil servants were intellectually equipped to do good to the country. They should also possess the requisite will for the purpose. To a very large extent it was the problem of moral character. Servants of disciplined morals constitute the foundation of a well-regulated Government.

For England the seventeenth century was essentially a century of civil wars. The quarrels between the King and Parliament, the Royalists and the Puritans characterised this period. Later on, a Roman Catholic ascendancy was also threatened.

Under the circumstances the people of England had a special urge to leave the country, and some of them might have thus been led to accept the Company's service. Many of these servants returned home fabulously rich after some time. The advantages accruing from the Company's service thus became widely known, and "the great object" of every parent in England then became "to get his son appointed a writer to Bengal." Even before their sailing the servants thus appointed often fixed upon a period within which they expected to return with so much money. Such conception very largely determined the nature of the progeny also.

Then when the young writer at last reached the place of his appointment, he at once fell within the clutch of a banian. He threw temptations before the servant, and this worked as an additional incentive. In his speech before the House of Commons on 30th March, 1772, Clive described the banian as a fair lady to the Company's servant now that "the passion for gain is as strong as the passion for love." The clue to the banian's action would be found in the fact that he expected to reap more and more advantages as the rank of his master advanced. And the master fell an easy and willing prey to the banian's machinations because he could masquerade in his name and thus evade the Company's regulations, if necessary, in his career of rapine and plunder. Thus there was "a communication of interests between the master and the servants."

To make matters worse, the Company's servants were generally paid very meagre salaries. It is true that they were also granted certain compensatory allowances. This was done because a heavy charge for salaries was then highly disagreeable to the home authorities owing to their peculiarly commercial psychology. But in any case their total emoluments were small, and, though the salaries of the Company's servants



were increased from time to time, it was not till 1793 that the junior men at last drew a living wage. Again, of their meagre salaries the servants used to receive only one-third in India, and the rest was retained in England to be paid on retirement. By this practice the Company perhaps hoped to keep a hold over its servants. But it caused much inconvenience to the latter. They were accustomed to live a life of extravagance. So they were forced to make additional earnings in many unorthodox ways.

This, however, does not mean that they would have abstained from taking recourse to these unorthodox ways, had their total emoluments been greater. Under normal circumstances perhaps their highest ambition would have been to retire as successful merchants. But the time was an abnormal one. The opportunities before the Company's servants were great, and the age was one of low morals. In Europe the medieval view of life under which everything including economy was given a religious bias had given place to a sort of mercantilism which attached far greater importance to wealth, power and display. As we have already seen, it was mostly this mercantile way of thinking which led some of the Englishmen to accept the Company's service in this distant and tropical country. It was, therefore, natural that the people living under the spell of this vulgar philosophy would not remain satisfied with their salaries only, however reasonable, and would run after making money, specially when the opportunities were there and riches could be had for the asking.

The following were some of the ways in which the servants of the Company generally used to earn tons of money.

#### (a) Private trade :

The Company's servants would engage in private trade both outwards and homewards, often to the neglect and detri-

ment of the interest of the Company itself. Attempts were made by the latter to suppress this practice by serving frequent rebukes, requiring the servants to sign penalty bonds and confiscating their goods when they were detected. But all these measures hardly produced the desired effect. A compromise was then reached. The Court of Directors drew up a list of commodities in which the Company's servants might legitimately trade on their private account while keeping reserved to the Company trade in some other commodities. Naturally the commodities reserved for the Company were productive of more profits. For its servants the temptation to trade in them was, therefore, too great to check. The bar was, therefore, honoured, as usual, more in breach than in observance. Somehow they managed to procure capital from their friends either in England or in this country and engaged in trade. The trade of the Company and its servants remained confined to the export and import of articles so long as the country government was strong.

After the decline of the country government, however, the Company's servants started engaging themselves in the inland trade also, and that free of duty on the strength of a firman of doubtful meaning granted to the Company by Mughal Emperor Furrak-Siyar in 1717. The privilege extended to the Company came to be enjoyed by its servants for their private trade too. For this purpose they did not even hesitate to forge passes known as *dustucks* and have recourse to oppressive acts. In exchange for some consideration, they permitted their *gomasthas* also to participate in this trade in their names. As a result, the interests of the Company as well as of the country traders suffered. Only the Company's servants fattened themselves like a swarm of locusts upon a rich green field. Repeated reprimands from the Court of Directors failed to dissuade its servants from engaging in this "illicit traffick."



Things came to such a pass that in 1764 the Company thought it necessary to bring out a supplementary covenant to be signed by its servants. According to the terms of this covenant they were debarred from trading in certain commodities so that they could not compete with the Company's trade.

They were further required not to use the stock and credit of the Company for serving the interests of their private trade, and they should have all their goods duly registered. But this too failed to improve matters much.

#### (b) Acceptance of Presents :

Another way in which the Company's servants used to earn easy money was to accept presents from the Indians of substantial means. This practice became particularly prominent when the Company had come to acquire some amount of political control over the country, thus enabling it to distribute favours. After the battle of Plassey the lavish compensation paid for the losses sustained at the time of the capture of the city of Calcutta and the enormous presents given by Mirzafar, the new Nawab, as a price for his elevation gave the Company's servants a taste of blood which they could not easily forget. Since then they appeared in the role of Nawab-makers in quick succession, and they used to "sell the succession to the candidate who should bid the highest price for it."

A new covenant forbidding the acceptance of presents of any kind whatsoever was now prescribed by the Company. It was to be signed by all its servants in India. But even then matters hardly recorded much improvement. As in the case of private trade, the new covenant was honoured more in breach than in observance. Clive during his second term of office as Governor of Bengal tried hard to enforce the terms

of the covenant but without much success, he himself being not free from the blemish.

**(c) Holding Farms :**

Many of the Company's servants by taking advantage of their position, would hold lands on thier accounts or on the accounts of their banians at nominal rents, although both the Court of Directors and the Council of Bengal had provided against this practice.<sup>14</sup>

**(d) Accepting posts at Indian Courts :**

Again, there were unscrupulous servants who utilised their position in the Company's service as a ladder for seizing some more lucrative posts in the courts of the Indian princes, thus putting the Company at a disadvantage in its struggle for power against the latter. This practice was frowned upon by the Court of Directors in 1770, but even after that it was by no means extinct.<sup>15</sup>

**(e) Lending money :**

The Company's servants used also to augment their income by lending their ill-gotten money at exorbitant rates to many of the zamindars and the princes of this country who were by nature extravagant and so often ran into debts. Such lending of money proved not only a potent source of corruption but would also bring many complications as the servants often tried to realise their money with a show of strength of the Company itself. Besides, a Company's servant would often assert the priority of his claim for the payment of his interest

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14. General Letter to Bengal from Court dated 23rd March, 1759 ;  
proc. of Com. of Circuit, pp. 56-59.

15. Ninth Report ( 1782 ), App. 4.



over the payment of revenue, etc. which hampered the collections of the Company's money. This practice of lending money to the zamindars and others was forbidden by the Bengal Government as early as 1765.<sup>16</sup>

It was also found that at times the Company's servants would enter into collusive arrangements with a Nawab or some such influential persons and received from them gifts and presents under the garb of interest on loans, real or nominal. In 1774 the Court of Directors was, therefore, led to order that in future no servants would have any money-dealings whatsoever with the Nawabs, zamindars, etc.<sup>17</sup>

The home authorities of the Company with all their commercial psychology were not quite unmindful of the necessity of improving the moral tone of their service abroad. The difficulty with them was that they had no proper local machinery to enforce the conditions of service of their employees and to penalise them for the breach of any of those conditions. The hands of most of the members at the top of the local administration were not clean, and the courts established at Calcutta on the strength of Royal Charters were manned by the Company's servants themselves. Thus the ghost was in the very mustards with which he was to be expelled. Besides, the jurisdiction of these courts remained generally confined to the town of Calcutta, while corruptions mostly thrived in the districts.

There were, of course, provisions for the trial, in England, of the offences committed in India. But these provisions remained more or less ineffective particularly owing to the difficulties of getting witnesses there.

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16. Proceedings of Bengal Select Committee, dated 5th October, 1765.

17. General Letter to Bengal from Court dated 3rd August, 1774.

### During the Period under Review :

In conformity to its reformatory character the Regulating Act took steps to purify the Company's service. Thus it prevented the persons engaged either in the collection of revenue or in the administration of justice from participation in trade and forbade the persons holding military and civil office to accept presents from any "natives of Asia", the only exceptions being lawyers, medical men and chaplains.<sup>18</sup> The Act further put restrictions upon practising usury by the subjects of His Majesty in the East Indies and breaking trust with the Company or defrauding it in any way.<sup>19</sup> Parliament thus not only re-inforced some of the orders of the Court of Directors in regard to the purification of the Company's service but also prescribed penalties for violating any of those provisions of the Act.

Under the Regulating Act the local machineries for enforcing the service conditions of the Company's employees and the arrangement for the trial, in England, of offences committed in India were also made more perfect. Moreover, during the period under review there were certain other developments which aided this purifying process of the Act.

(1) Of the local machineries mention may first be made of the three Parliamentary nominees to the Bengal Council originally constituted under the Regulating Act. As all of them were virtually new-comers to the Company's service, they had no axes to grind and they could thus look at the corruption of the Company's servants from a disinterested viewpoint. Besides, they came to rule with a sense of mission. Since the avowed purpose of the Parliamentary intervention<sup>20</sup>

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18. Section XXIII.

19. Section XXX and Section XXXIII.

20. The Court of Directors too asked the new Courts of Bengal to make the strictest enquiry in to the oppressions and abuses in the various Governments. See its General letter to Bengal dated 29th March 1774, Para. 35.



in the Company's affairs was to reform its administrative machinery which was known to be replete with corruptions and abuses of power, they came to think that Parliament had particularly entrusted them with the task of carrying out the necessary reforms. As soon as they joined their posts, they applied themselves wholeheartedly to this task. While the two employees of the Company, Hastings and Barwell, took a comparatively lenient view of corrupt transactions, the three Parliamentary appointees showed a higher standard of public duty and took a serious view of such transactions. Their efforts for the purification of the service were noteworthy.

This clash of viewpoints between the two groups may be illustrated from one or two concrete cases. W. M. Thackeray was a member of the Dacca Provincial Council. Legally he could not engage in private trade, but in 1776 he was discovered to be the owner of a highly lucrative farm at Sylhet in the name of his banian. An explanation being demanded of him by the Governor-General and Council, he pleaded guilty to the charge and threw himself at their mercy. The Governor-General and his associate, Barwell, then wanted to brush up the matter by regarding it "more as an amiable weakness rather than a gross dereliction of duty." The group headed by Francis, however, refused to treat the matter so lightly. Among other things, Thackeray was deprived of his Sylhet farm and of his seat on the Dacca Provincial Council. He was also made to return to England.<sup>21</sup>

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21. Hunter's *Thackerays in India*. p. 91.

As against Francis and his group Hastings and Barwell took lenient attitude also towards oppressions often indulged in by the Company's servants for collecting revenue from land, procuring investments from weavers or for managing the salt contracts, their ostensible reasons being that such oppressions were necessary for the "security" of revenue and these were "sanctified by immemorial usage".—See among other things Bengal Rev. consultations, dated 15th November, 1774; 14th December, 1774; 24th December, 1774; and 30th December, 1774.

Another test case was that of Cantoo Baboo, banian of Hastings. He held in his own name and in the name of his minor son, lucrative farms having an annual rental of over thirteen lakhs of rupees, although legally he could not do so. The three colleagues of Hastings took strong objection to it, and an unstinted support was extended to them by the Court of Directors in the matter. But the Governor-General continued to defend his banian. Similarly Hastings lent protection to Bhowani Charan Mitra, dewan of Burdwan, whose sons and other dependants came to be known to possess extensive farms.

Hastings also distributed among his favourite servants favours in the shape of contracts and increments of salaries, etc. Besides, both Hastings and Barwell were themselves accused of making some corrupt transactions in their favour. In this connection it may be mentioned that Hastings was the man of his age and represented all its virtues and vices. His method to dispose of contracts and jobs to reward friends and maintain political power differed from that of the contemporary Government of England only in degree.

(2) The establishment of the Supreme Court in Calcutta further served to restrain the corrupt practices of the Company's servants. In fact, this Court was alleged to be established in response to the appeal of a section of the Company's Directors for controlling their servants employed in Bengal. As against the Mayor's Court which was manned by the Company's servants themselves, the Judges of the Supreme Court were professional men appointed by the King from outside the Company's service. All persons directly or indirectly in the employ of the Company and living in whatever part of the country were now brought under the jurisdiction of this Court. This would enable it to check all the nefarious activities, both overt and covert, of the Company's servants through-



out the length and breadth of the Presidency. In fact, bills in equity were instituted in the Supreme Court against many of the covenanted servants of the Company. The bills against some of them were afterwards dropped, but others were compelled to make restitution.

(3) Even if a servant left India, he would have no respite. Because, under the Regulating Act, the arrangement for holding trials in England for offences committed in India had been much improved upon. Examination of witnesses could now be held in India by the Supreme Court, and the records of that examination would be sent to England in a specially guarded manner.<sup>22</sup>

(4) In 1781 the British Parliament took another step which should go a long way towards weeding out corruption from among the Company's servants. As the latter were not much interested in making establishments in this country, they used to send home a large part of their earnings. The amounts they used to send in this way were so great that these could not but be ill-gotten. For sending money home the servants would draw huge bills of exchange upon the Company. As a measure to check corruption the Company, therefore, fixed ceiling targets upon drawing bills of exchange upon it by its servants in England so that their incentive to earn money more and more might be curbed. The measure, however, did not prove to be of much practical value. In 1781, therefore, Parliament passed an Act which *inter alia* asked the Company not to accept any bill or bills drawn by any of their servants in the East Indies for any sum exceeding three hundred thousand pounds during one year without the previous consent of the Commissioners of His Majesty's Treasury.<sup>23</sup>

22. Section XXXV.

23. Sections XXX and XXVI, Geo. III, Cap. LXV, c. 65—A. D. 1781.

No such bill would also be payable in England without the consent of eighteen Directors.<sup>24</sup>

Pitt's India Act of 1784, again, required the Company's servants to declare on oath the amount of property they had fetched from India. It also provided for the establishment of a special Court for the trial of offences committed in India.

(5) In addition to these official measures, a new development took place in the non-official field, which at least indirectly sought to put a curb on the illegal activities of the Company's servants. It was the emergence of the daily press in Calcutta. In 1780 a daily newspaper was for the first time published from Calcutta and then till the end of the period under review as many as six other newspapers followed suit in quick succession. The public and private conduct of the Company's servants now began to be publicised in the columns of these papers.

#### Evaluation of the Measures :

All these were salutary measures and developments, no doubt. But the stark reality was that these did not succeed in rooting out corruption from among the civil servants of the Company. In connection with the attempt of the Francis-group to purify the Company's service we have already cited some instances of such corruption. There were many other such instances. Thus Fleetwood's banian was a nominal farmer of Sharigan, the real farmer being the master himself. Such were the cases with Christie's banian having farms at Banjora and Apola and with Barton's banian having the salt-farm of Belloa. It has been observed by a competent Committee that not less than one-third of the Company's lands in Bengal "are, or have lately been, held by the banians of the English gentlemen."<sup>25</sup> This practice continued to grow, and

24. Section XXVII, *ibid*.

25. Firminger, *op. cit.*, pp. CCXXVI—CCXXVII.



it has been estimated that when the Permanent Settlement was introduced, about half the lands of Bengal had been usurped by such banians.

The Judicial servants too were not free from blemishes. Thus justice was reported to be sold by the Indian judges to the highest bidder and had been "let to hire" to the Englishmen.<sup>26</sup>

The proofs of corruption against the Company's servants were, however, mostly indirect. Their home remittances continued to be so huge that their sources could not but be of a shady character. In the matter of sending home remittances they could not be defeated in the battle of wits. As we have already seen, at first they adopted for the purpose the device of drawing bills of exchange upon the Company. When, as an anti-corruption measure, the Court of Directors fixed ceiling targets for drawing such bills, they mostly began investing their money in the commerce of the rival European Companies, and the French private trade in particular did brisk business in the French bills of exchange. In 1781 the British Parliament declared illegal such investments too by a legislative enactment.<sup>27</sup>

But the inventive genius of the Company's servants knew no bounds. For some years from 1780 the Governor-General and Council, owing to various reasons, were not in a position of sparing much money out of the revenues of the country for the Company's investments. A proposal was, therefore, given to private persons to make subscription investments on their respective accounts.<sup>28</sup> The Company's servants eagerly availed

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26. Letter from Impey to Weymouth, dated 26th March, 1779—Touchet Report, General App. No. 31,

27. Section XXX Geo. III. Cap, LXV, C. 65.

28. Secret Letter from Bengal to Court, dated 8th April, 1781.

themselves of this golden opportunity and made a ready response to the proposal. In the very first year an investment to the amount of £ 800,000 was thus raised. That the position in respect of corruption did not record much improvement even towards the end of the period under consideration will be evident from the fact that immediately after Cornwallis was appointed Governor-General of Bengal, he had to wage a bitter and prolonged struggle for weeding out this vice from the administration.

This, however, should not lead to minimise the importance of the measures that were taken in course of the period under review for purifying the Company's service. These were highly significant measures in the sense that under the impact of the Parliamentary intervention a serious beginning was at last made towards this end. The result could not be immediately spectacular. A process initiated thus was *continued* by Cornwallis. Thus we see that during the period under review although no noteworthy attempt was made to give an increasing intellectual fitness to the Company's servants to enable them to play their new role more successfully, their moral calibre was at least sought to be improved upon. The various orders of the Court of Directors backed by successive Parliamentary enactments reduced considerably the pecuniary advantages of the service. This was evident from the complaining tone of Shore that "the road to opulence grows daily narrower,"

#### Conditions of service :

The civilservice being the agency through which the work of the Government had to be done, every attempt should be made to give it a fair deal as regards salary and other conditions of service. Dissatisfaction among the servants of the Government



could not but tell upon their efficiency. We can hardly say that the Company's administration during the period under review passed this test with any great amount of credit.

### Emoluments :

As we know, the official emoluments of the Company's servants were generally small. And they used to indulge in various unorthodox practices to augment their incomes. The Court of Directors could not always control them.

With the passing of the Regulating Act, however, the situation underwent a radical change. The British Parliament, through this piece of legislative enactment, had debarred the members of the Company's general service from indulging any longer in their traditional unorthodox practices. No other emoluments except their salaries were now allowable to them. On the contrary, the Court of Directors in its first Instrument of Instructions issued to the Bengal Government newly established under the Regulating Act had asked the latter to observe the "strictest economy" in the matter of fixing the salaries of the officers of the general department.<sup>29</sup>

On 9th March, 1775, the Governor-General and Council issued a circular letter to their servants concerned inviting their attention to the provisions of the Regulating Act. A copy of the Act was also enclosed with the letter for perusal by the Company's servants residing in the Mofussil who were warned by the Council that the Regulations of the Act would be put into execution "in the strictest manner."<sup>30</sup>

From almost immediately after the receipt of this circular letter representations from their servants started pouring in.

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29. General letter from Court to Bengal, dated 29th March 1774, para 16.

30. Bengal Rev. Cons. of 9th March, 1775.

They pointed out many difficulties born of their living at a great distance from the Metropolitan town. They also emphasised the necessity of maintaining "appearances" among the agents of foreign nations and "at the head of our own society." So long they had managed their affairs more or less comfortably because they used to reap some financial advantages from private trade. But as this was now forbidden they wanted a compensatory increase in their salaries which were mostly fixed in a different context.<sup>31</sup> In 1780 Otto Ives who was appointed Judge of one of the recently established district Dewani Adalats thought the salary of his office, viz, 1,200 sicca rupees per month, "so little his consideration, if restrained from other emoluments" that for some time he hesitated "whether he should submit to the taking of it."<sup>32</sup>

The dissatisfaction among the servants became all the more intensified when they found that some of their colleagues basking in the sunshine of official favour were given special increments and some "over-paid" posts were specially created to accommodate the favourites of the high-ups.

### Security :

The security of tenure constituted one of the basic conditions for the efficient functioning of the civil servants. In this respect the position of the Company's servants was not very encouraging.

It is now an accepted principle for ensuring security in the service-conditions of the civil servants that they must not be dismissed by a person or persons lower in rank than the appointing authorities, and also written proceedings must be

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31. App. No, 10, Sixth Report, Parl. Sel. Com. 1782.

32. Letter from Impey to Dunning—printed in Firminger op. cit., Vol. 1, p. CCLXXI.



drawn against them. None of these principles was acted upon in the case of the Company's servants. The covenanted servants were all appointed by the Court of Directors, but the Bengal Council was empowered to dismiss any of them. Even in that case there was not much safeguard against their arbitrary dismissal. The servant alleged to be guilty was to be only verbally reprimanded once, twice or oftener, if the Council thought it fit to do so. If that did not reclaim him, he would be dismissed from the service and sent forthwith to England.

The position in this respect, however, improved somewhat during the period under review, at least in theory. The Council of Bengal continued to enjoy the power to dismiss the servants appointed by the Court of Directors. But it was now provided that before dismissal written charge-sheet would have to be preferred against a servant, and he should be given the reasonable opportunity to defend him. On all such occasions the Governor-General and Council were directed to proceed "with the greatest tenderness and circumspection." They were further asked to enter regularly upon their consultations all such charges along with the proceedings thereon and transmit the same to the Court of Directors.<sup>33</sup>

In practice, however, it appears that this procedure was not always followed, and there was quite a number of cases of arbitrary dismissal. The factional fight within the Council had its repercussion among the general ranks of the civil servants too, each faction having its supporters and sympathisers among them. They were patronised and punished according as the faction to which they happened to belong was in power or not.<sup>34</sup>

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33. General Letter from Court to Bengal, dated 29th March, 1774—para. 20.

34. Bengal Rev. Cons. of 11th March, 1777 : and 14th March, 1777. Also see Maclean's letter to Hastings dated 10th Nov, 1776—Gleig, op. cit., Vol. II, pp. 71—91.

Besides, frequent innovations introduced in the administrative machinery sometimes spelled insecurity for the Company's servants. Thus, when the Provincial Councils were abolished, nearly 40 or 50 servants were thrown out of employment, and accommodation could not be found for all of them in other departments. A pension to the amount of Rs. 1,48,000 had to be arranged for those who were discharged.<sup>35</sup>

There was also not much security about the emoluments of the Company's servants. These often varied with the unsteady fortunes of a commercial company. This was particularly evident during the administration of Macpherson.

As a result of protracted wars, the Company's finances had been deteriorating for the last few years. Since 1782 the Court of Directors, therefore, ceased to appoint new writers, and under the 40th and 41st clauses of Pitt's India Act the Court was precluded from making any fresh appointments until accounts had been received from Bengal. Thus, for some time at least new openings for the employment of servants were practically sealed up.

Against this background Macpherson proceeded to apply his axe of economy on the administrative machinery.<sup>36</sup> But it was largely misplaced. There is no doubt that the administration that Macpherson inherited from Hastings suffered from some laxity, and there was much scope for economy in it. But the attempt to economise by curtailing the emoluments of the civil servants followed from a short-sighted policy and had been subjected to much criticism by no less a person than Cornwallis himself, his successor, to whom the credit of modernising the Company's service had been mainly attributed.

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35. Deposition of Wright, Minutes of Evidence, vol. 7, p 1196.

36. Bengal Secret Dept. of Inspection Cons. dated 27th June, 1785.



As an economy measure Macpherson further introduced a peculiar mode of retrenchment which goes to illustrate how the security of the service was affected by the exigencies of the situation. Civil servants were now given the option to return to England "on leave of absence, with an allowance of half their allotted salaries payable in Bengal, and without forfeiture of their respective ranks in the service." They were to enjoy their leave of absence for three years on condition of their returning to the service before that period, if required to do so by the Company. In this notification hope was expressed that the servants "would ultimately have no cause to regret the temporary interference with their prospects."<sup>37</sup>

### Promotion :

The civil servants should find the way open before them to mount in the scale as experience renders them more capable of undertaking greater and greater responsibilities. This is essential to bring out the best in them.

Ordinarily there should be one principle for giving promotion to the Government servants because this would limit the scope for partiality and favouritism. From this viewpoint also the early administration of the Company was defective. Promotion was generally given according to seniority, but in some cases recourse was had to the rotation of office. The simultaneous operation of these two principles gave greater opportunities to the authorities concerned to be partial towards their favourites under the pretext of working on this principle or that as it suited their convenience. The Instrument of Instructions issued by the Court of Directors on 29th March,

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37. Carey's Good Old Days, Vol, I, pp. 114-115,

1774, further confirmed both the principles,<sup>38</sup> although the Regulating Act made no provision on the subject.

The period under review knew many instances when neither of these principles was observed in practice, and promotions were frankly granted in a partisan way owing to the factional spirit that pervaded the working of the Council. As a result Barwell was at one time found to openly complain that "good and zealous servants had been deprived of normal promotion".

The Court of Directors was also often guilty of promoting servants in a partial way. In fact, Covenanted servants with sufficient pull over the home authorities would often take a trip to England and bring orders for promotion to some coveted posts.

In 1784 the British Parliament, therefore, stepped in the field and sought to rectify the omission made in the Regulating Act of 1773. By a legislative enactment<sup>39</sup> it now laid down one single principle—the principle of seniority—to be observed strictly by the Presidency Governments in the matter of granting promotions to their servants, unless in any particular case a Government should have sufficient reasons to act otherwise. Even in that case, the reasons for its action would have to be recorded, and these records were to be transmitted to the Court of Directors by the next available opportunity. Any promotion granted in violation of this provision of the Act would be null and void. The Company's administration was thus modernised, so far as this Parliamentary measure went.

But notwithstanding this Parliamentary legislation, "partial promotion" was not completely rooted out. A test case was

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38. Para. 20.

39. Pitt's India Act, Section 42.



that of Purling. Purling was an old employee of the Company, having an unblemished record of about 20 years' service in the Revenue Department of Bengal. When the Controlling Committee of Revenue was instituted in 1785 during the Governor-Generalship of Macpherson, some of the servants junior to him were appointed members of it, and the claim of Purling was allowed to go by default on two successive occasions. No one principle was uniformly acted upon in the constitution of the Committee. Some persons were appointed on the basis of seniority, and some according to the the principle of the rotation of office. This was not only illogical but also illegal. Purling took his stand mainly on the relevant clause of the India Act of 1784 and submitted more than one representation to the Governor-General and Council. <sup>40</sup>

At long last the justifiability of the claim put forward by Purling, was admitted by the Council. But as his representations were "founded upon a clause in the late Regulations of Parliament" and involved "questions of a very serious nature," the matter was referred to the Advocate General for his opinion upon it. <sup>41</sup>

### Resignation :

The civil servants were required to give 12 months' notice of their intention to resign from service, and they were not suffered to "go away" before the expiration of that term. A servant's pay was discontinued as soon as he had passed beyond the Cape of Good Hope. After his resignation he would have to quit India unless he was otherwise lawfully authorised to continue here.

The foregoing review shows that the conditions in and on which the Company's servants had to work was anything but

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40. Bengal Rev. Cons. of 24th May, 1775.

41. Ibid.

satisfactory. The Company wanted efficient service from its employees but would not pay the price for it. Economy was the guiding principle in determining its establishments. The Company had not yet succeeded in reconciling the one with the other. The outcome was that the efficiency and morale of its servants suffered, and the economy it enforced ultimately proved to be a false economy.

What was the net result ? At the formative period of their life they had cut themselves off from the moorings of their home and had come, in search of riches, to an alien country having a different natural and social environment. Their service-conditions were also not encouraging. Many of them had hardly any finer attainments. The religious appeal had also lost its force upon their mind. So here they continued to indulge in practices which they would not perhaps think of indulging at home. Mostly they had no sufficient work to engage their time, and they devoted their ample leisure to gambling, debauchery and intemperate living, to mention a few among their many vices. The life they thus led fell far short of the standard expected of public servants. The Company, though empowered by Royal Charter, failed to enforce discipline among its servants. Its service would still have to travel a long way before attaining the status of a "noble service" which it was destined to attain in future.

But something cannot come out of nothing, and the future must necessarily develop out of the present. Thus during the period under review there were enough indications of the future possibilities of the service. By this time a core of the service had been born—a core that had acquired an adequate amount of knowledge and developed an adequate sense of responsibility and public duty so essential for successful administrators. The growth was slow but steady.



### Core of the Service :

During the period under review, as has been already seen, no arrangement was made to impart intellectual fitness to the Company's servants. Surely this provided an initial handicap. But with the process of time the raw civil servants were graduating from the university of experience. One who would take pains to go through the revenue-proceedings of the period could not but be struck by the intelligent suggestions being made by some of the servants to the Governor-General and Council. Some of these suggestions were premature, no doubt, and many of them were also not accepted by the Government. But sincere labours and a genuine desire to improve the lot of the people breathed through these suggestions. In this connection it may be pointed out here that the idea of Permanent Settlement with the zamindars for which the administration of Cornwallis was to make a name afterwards emanated from some of the district officers during the period under consideration. Besides, almost all the advisers of Cornwallis were the products of this time. Shore, Grant, Stuart, Duncan, Croftes, Anderson and Charters, to name only a few, came to be the acknowledged authorities on revenue and other administrative affairs.

What again particularly characterised the period under review was that there could be found a growing number of the Company's civil servants who were no longer prepared to sacrifice the well-being of the people at the altar of the interest of the Company. As a result, the voice of justice was becoming louder and louder inside the administrative machinery of the Company. We shall establish our case by giving a few illustrations from both revenue and commercial spheres.

(1) Dacca was a prosperous weaving centre of the country wherefrom the Company used to procure a large part of its in-

vestment. The agents of the Board of Trade advanced money to the weavers of this centre against the promised supply of cloths in future and were in the habit of confining the defaulting weavers and sequestering their looms. Once as many as 169 weavers were thus confined and their looms sealed. The weavers then appealed to Rous, Chief of the Dacca Provincial Council, for relief.

Rous took the matter with Hurst, the Commercial Chief of Dacca. In reply to the representation from Rous, the Commercial Chief informed him that he would always endeavour to secure the Company's investment by attaching all the clothes which they were entitled to get by previous engagements. As against this arrogant voice of a typical power-drunk merchant Rous raised a voice of justice and righteous indignation. Among other things, he pointed out that the Commercial Chief must not seal and attach the clothes in the looms "without any formality of justice." If he was to realise the balances, he should apply to the Adalat stationed at the aurang. He further observed that the views of Hurst were "purely commercial" and he was unable to comprehend that in the present context "the interest of the Company and the interest of the country are one and the same thing."<sup>42</sup>

(2) Another instance may be taken from the district of Moorley which had some salt factories under the management of Ewart. At first there was no civil court in the district, and the *mahindars* working in the company's salt factories were subjected to extreme oppressions. In 1780 Henckell came to be appointed Judge of the newly created Adalat for the district. With his assuming charge, the *mahindars* appealed to him for protection. Inspired by a sense of justice he at once extended protection to them. But the Company's Commercial

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42. Bengal Rev. Cons. of 19th July, 1776.



Agent at Moorley resisted this "interference." As a result, open clashes between the Judge's bailiffs and the salt subordinates continued to take place from 1781 to 1786.<sup>43</sup>

A dispute also occurred between the said Judge and the Company's cloth establishments. The nature of the dispute was more or less similar, though not so violent as that with salt establishments. As against the remonstrances of the Superintendents of the Company's cloth factories he replied that he was there to see that justice was done.<sup>44</sup>

As was the case with commercial profit, so also was the case with land-revenue. There were Company's servants who would not allow its claims of revenue to override those of justice. The issue was once a subject of a heated debate in the Burdwan Provincial Council.

On the receipt of a complaint from some ryots about oppressions, the Chief of the Burdwan Provincial Council issued a summons against some of the officers of the Raja of Burdwan in the midst of their collections. Against this a complaint was lodged by the Raja with the said Provincial Council. This provided the occasion for the debate. Two members of the Council, Dowall and Charters, championed the cause of the Company's revenue. The Chief and two other members of the Council, however, took "a higher opinion of the Company's Government." According to them, the collection of the Company's revenue was certainly material, but this object should not preclude "the superior consideration of rendering justice to such individuals as may be oppressed by the mode of collecting that revenue."<sup>45</sup>

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43. Bengal District Gazetteers—Khulna, p. 43.

44. Westland's Report on the district of Jessore, p. 71.

45. Bengal Rev. Cons. of 22nd January, 1779.

The ideological conflict became more and more manifest with the differentiation of the machinery for administering justice from that for collecting machinery in 1780.

In this connection it may be pointed out that the Supreme Court, as we shall see later on, also refused to put the claims of the Company's revenues before those of the people's justice. Naturally the pull of the processes of the Supreme Court was much greater than the isolated voices of some of the Company's servants. But all these incidents serve as a pointer to the direction in which the wind had begun to blow. With the Parliamentary intervention the intellectual climate of the time had definitely started to change.

Towards the end of the period under review we find that the civil servants placed at the top of the Bengal administration had also felt the impact of this change in the intellectual climate. Macpherson, after becoming the Governor-General of Bengal, delivered a highly significant minute in his attempt to reconcile the two conflicting roles of the Company—the Company as a trading concern and the Company as a ruling authority. In course of this minute he observed: "Conquest must at first have disturbed the established regulations of every country—a short time would convince the invaders that justice and equity towards the inhabitants could alone give value to the conquest. The tyrant and the conqueror might demand a greater revenue than the regular due of a Government, and they might put the individuals who were called upon to pay it to the torture for more and finally to death. But such acts would soon be found to have the same effect as killing the individual bees for their particular portions of honey."<sup>4 6</sup>

The story of a group of merchants hailing from a tiny, remote island and eventually founding an empire has all the

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46. Bengal Rev. Cons. of 4th July, 1786.



charms of a romance about it. But no less romantic, though perhaps not so spectacular, was the story of how a private mercantile service met the historical challenge of the situation and started transforming itself into an enlightened public service mostly under the stress of circumstances.

## CHAPTER SIX

### Revenue Administration

In this chapter we shall deal with the revenue administration that the Company built up in Bengal. Its importance cannot be over-emphasized in view of the fact that it supplied the oil that kept the governmental machinery on move.<sup>1</sup>

Of the public revenues of the Company land-revenue occupied a predominant place. India then being largely an agricultural country, revenue from land constituted more than 80 p.c. of the country's total income. Besides, the machinery for collecting land-revenue used also to be utilised for administering civil justice during a large part of the period under review, and the clues for changes in the arrangement for administering civil justice had to be found not infrequently in the changes in that for collecting revenue. Not only that, the machinery for collecting land-revenue used also to manage some other sources of revenue. Our discussion about the revenue administration will, therefore, be almost entirely devoted to the discussion about the administration of land-revenue. Before we do that, we shall have a look at the other minor sources of revenue of the Company's Government.

Besides income from land, other main sources of the Company's revenues were derived from customs and excise and the revenues from opium contract and monopoly of salt.<sup>2</sup>

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1. A part of the revenue was also utilised for financing the Company's investment.

2 See. pp. 47—48 *ante*



## Customs :

At first there were several petty chowkies to collect the customs duties. This often resulted in undue exactions and interruptions. So in 1771 these petty chowkies were replaced by nine General Chowkeys.<sup>3</sup> We know that the revenues of the Government suffered much during the period owing to the abuse of the *dustuck* by the Company's servants. In March, 1773 Hastings appointed a special Board of Customs for the management of the customs dues on inland and foreign trade. But by the end of the following year this Board seemed to have discontinued its sittings. In its name the Secretary of the Board, however, continued to discharge its function.<sup>4</sup> This arrangement continued upto the end of 1779. Hereafter it appears that the management of the customs revenues developed upon the same agencies as used to manage the revenue from land.<sup>5</sup>

It has been already seen that opium and salt were regarded by the Governor-General and Council as articles of revenue, and their management was not handed over to the newly established Board of Trade. We shall now see how the Council used to administer these two articles.

## Opium :

Opium was a staple product of Bihar and was in extensive demand in the Eastern markets. During the Mughal period the exclusive privilege of poppy cultivation and culture used to be farmed out for a payment in advance to individuals who in their turn supplied it to the European traders in Calcutta, Chinsurah and Chandernagar. The bulk of the export trade in

3. Ghosal's Civil Service, p. 131.

4. Foster's Guide, p. 131.

5. Cambridge History, vol. V, c. 439.

opium was handled by the Dutch till the battle of Plassey after which the entire opium trade passed into the hands of the Company's servants at Patna. In 1761 a monopoly, managed by the civil servants of the Patna factory, appeared to have been established in the business of this article. The ostensible ground for establishing this monopoly was to provide against ( i ) its adulteration, ( ii ) its excessive home consumption, and ( iii ) its over-production resulting in the loss of the foreign market. After the acceptance of the Company's Dewani in 1765 the business in opium received a further fillip. Its profits were utilised towards financing the emoluments of some of the superior servants of the Company.

In 1773 the opium trade was taken away from the Patna Council and leased out to two Indian contractors for one year only on the condition that they were to supply a certain quantity of opium at a given price. Half of the price was to be paid to the contractors in advance and the other half on delivery.

After the inauguration of the New Regime the opium trade naturally came under the consideration of the Governor-General and Council. The new-comers showed themselves as opposed to all monopolies, but they were at the same time in great doubt as to whether under the given circumstances the monopoly in this particular commodity could at all be dispensed with.<sup>6</sup> They, therefore, thought it fit to retain the monopoly and give the contract to the highest bidder.<sup>7</sup> The contract was renewed at intervals. This practice seemed to remain in vogue till the end of the period under review. Even after the contracts were granted, a general right of supervision

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6. Bengal Rev. Consultations of 23rd May, 1775 and 3rd September, 1776.

7. Ibid., 23rd May, 1776,



to guard against the oppression of the cultivators was reserved to the Company's servants.

There, however, soon rose complaints about the bad quality of opium supplied by these contractors. An office of Inspection was, therefore, established at Calcutta to check its quality, the Provincial Council of Patna in particular was directed to certify both the quantity and quality of the articles before its despatch to the Metropolis.<sup>8</sup> The office of Inspection was, however, abolished in 1781, but seemed to be revived soon.

### Salt :

A monopoly of the Company was also established in the salt trade of Bengal as it had been a state monopoly since 'time immemorial'. In 1765 Clive put into force a plan for dividing the salt profit among the Company's servants. On an order from the Court of Directors it was abolished in 1766. The salt trade seemed to remain open during the period between 1768 and 1772. In 1772 Hastings took steps to monopolise the commodity once again for the Company's sake. The Court of Directors now approved of the measure. For the management of the trade recourse was had to the contract system. The salt labourers known as *malungees* used to be much oppressed under this system.

But by 1776 it became evident that the profits from the salt monopoly were very disappointing.<sup>9</sup> So on 16th July, 1777, it was decided by the Governor-General and Council that the salt mahals, along with the lands, would be let to the farmer and zamindars 'for a ready money rent, including the

8. Ibid., 10th June, 1777.

9. Hastings's minute, Bengal Rev. Consultations, of 24th September, 1776.

duties', the salt being left to their disposal. In 1780 this arrangement was also discontinued, and a salt office was instituted. A number of Company's covenanted servants were appointed to superintend the manufacture of salt at the price fixed by the Governor-General and Council.<sup>10</sup> This system appeared to remain in vogue till the end of the period under review.

Salt was an absolute necessity of life but it was made a subject of so many experiments by the Company.

### Miscellaneous Heads :

In addition, the Government used to derive some income from such miscellaneous heads as fines, fees, etc.

### Land Revenue :

We shall now proceed to describe the administration of land-revenue. With a view to building up a sound land revenue administration, the Government would have to satisfy the following conditions : (a) preparation of a cadestral record dealing with the village-maps, revenue-records and the records of private rights and interests in the land, etc., (b) assessment of revenue which also included the principle of assessment and the persons liable to pay it, and (c) machinery for collecting the revenue assessed. Now, as the Company's land revenue administration developed directly out of the indigenous system, we shall do well to see in essentials what this system was and how far it used to meet the foregoing conditions.

### Indigenous System :

The idea that the state was entitled to a share of the produce of soils from the cultivators was current in India from very

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10. Cambridge History, vol. V, p. 440.



ancient times. The Laws of Manu had mentioned one-sixth of the gross produce as the legitimate share of the king. Then with the growth of population cultivation too extended, and it was no longer found feasible to collect the share in kind. The system of payment in cash was, therefore, introduced. This was rendered all the more necessary with the rapid expansion of some of the Mahommedan kingdoms.

The land-revenue administration that the Mughals introduced in Bengal was typical. It was not, however, much complicated. Bengal proper consisted of nineteen large administrative divisions called Sarkars. These were again divided into sixty-eight fiscal and administrative units known as parganas. The sarkar was an innovation introduced by the Mughals but pargana unit was in vogue from the Hindu period. Each pargana was placed under a zamindar.

The aumils were responsible for the collection of land revenue from the zamindars. In frontier areas, however, the Foujdars collected land-revenue from the zamindars. To control the zamindars and the aumils a Kanungo was appointed for each pargana. He was responsible for the pargana accounts. He kept the records of assessment and collection and maintained the rights of the cultivators. The kanungoes used to collect the necessary information from the village headmen.

The permanent records thus maintained by the kanungoes rendered the collections of revenue easier. The zamindars, the foudjars or the aumils could not also ordinarily exact much more than what was the customary rent of each area.

The Institutes of Timur represented the first serious attempt to commute into money the state's share of the produce from soil. The next attempt was made by Sher Shah but it could not be very fruitful owing to the short duration of his

administration. It was during the reign of Akbar that an elaborate and scientific method of investigation was undertaken to assess the taxable capacity of the different soils as a prelude to the fixation, by the state, of its revenue demand. In fact, the first Mughal revenue settlement of Bengal was made during his reign ( about 1582 ) by Todar Mal. The rent roll amounted to a total of Rs. 1,06,93,152. The accounts of rents paid by the ryots were collected with the help of the kanungoes.

The second revenue settlement was made by Shah Shuja, the Viceroy of Bengal, in the year of Aurangzeb's accession to the throne ( 1658 ). The third settlement culminating in 1772 was made by Murshid Kuli Khan, another Viceroy of Bengal. In 1725 Viceroy Shujauddin made another settlement, but it only sought to re-distribute the revenues of certain zamindaries and had not much effect upon the total revenue-roll.

Under the Hindus and during the first part of the Mughal administration the assessed revenue used to be mostly collected by the salaried Government officials. When the Mughal Empire started to disintegrate, it proved difficult to control from Delhi the revenue officials posted in the outlying provinces. So the system of revenue-farming was introduced, and in Bengal it became almost general from the time of Emperor Farukhsiyar ( 1713-19 ). Under this system the revenue farmers variously known as zamindars, talookdars, etc. paid to the Government a certain fixed share of their total collections and appropriated the remaining portion. They constituted the principal source of money for the Emperors who were then living in a state of chronic financial embarrassment. Consequently the zamindars too consolidated their position. In course of time their offices became hereditary, and they pretended to be the proprietors of the soils under their charge.



In this connection we shall do well to point out that during both the Hindu and Mahommedan administrations the state had not generally claimed exclusive ownership of the land and had definitely acknowledged the existence of private property in it.<sup>11</sup> The fact that the state could take possession of a land in case of a default was true of all other kinds of private property as well. At best we can say that the Government regarded the land as hypothecated to it as security for the due payment of the rent assessed upon it.<sup>12</sup> From the private ownership of land it, therefore, follows that the land revenue was then a tax and not a rent.

### Position after the Company's Acquisition of the Dewani :

Even before the acquisition of the Dewani by the Company, it had a limited political character. Thus the Company had acquired zamindari rights in respect of (i) Calcutta and its two adjacent places in 1698 from Azeem-oo-Shan and (ii) 24 Parganas under the Treaty with Mir Jafar in 1757. Besides, the three districts of Burdwan, Midnapore and Chittagong had been originally ceded to the Company by the Treaty with Mir Kassim in 1760. At the time of the grant of the Dewani both the zamindari lands and the ceded districts were superintended by the Covenanted servants of the Company, and the collection of revenue in those areas was either directly done by them or done under their control.

The Company acquired the Dewani in 1765. But till 1772 it practically did not devote itself to the direct collections of

11. Brigg's Land Tax in India, p. 127.

12. Baden-Powell's Land Revenue and Tenure in British India, p. 49.

It has, however, been contended in certain quarters that the Indian conception of land tenure was like a compromise between the English theory of absolute property in land and the extreme of state ownership. The landlord's or ryot's title was recognised subject to the limitation of the state's concurrent right in land.

revenue with the help of its Covenanted servants. Their number was small. Further, they were quite ignorant about the revenue matters. Their experience at Burdwan was not at all encouraging. There the English servants proved themselves altogether unfit to conduct the collections of revenue from "the subtle natives", So the actual collections were left to the two Naib Dewans—one for Bengal and the other for Bihar having the traditional indigenous machinery at their disposal.

In Bengal Reza Khan was appointed to the post of this Naib Dewan in addition to his duties as the Naib Nazim. After collecting the annual revenues he used to deposit them in the Nawab's Treasury ('Khalsa') at Murshidabad. From that Treasury the money was subsequently transferred to the Company's Treasury. The process was simple. At the annual *poonah* held in every district the Government settled with each zaminder, talookdar or farmer his dues for the ensuing year.<sup>13</sup> The total of all the dues from all the zamindars, therefore, constituted the sum which was payable from the Nawab's Treasury. If any deficiency occurred, the reason for it had to be specifically found out. On behalf of the Company the Resident at the Durbar (i.e. court) of the Nawab of Murshidabad, who was posted there for the transaction of all business between the Nawab and the Company, used to receive the money from the Nawab's Khalsa. He also superintended the collections and inquired into the causes of the deficiencies.

The collection of revenues in the province of Bihar was placed under "the immediate direction" of the Company's Chief Representative at Patna. For about one year and a half he acted with the help of Deerijnarayan. The latter was

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13. The ceremony was held in May for Bengal and in September for Bihar—Further Report of the Committee of Secrecy, 1773.



subsequently replaced by Shitab Roy.<sup>14</sup> In this affair the Chief at Patna was under the control of the Resident at the Durbar and used to make "consignments of treasure" to him.

Thus we see that the Resident at the Durbar used to act as "the Collector of the King's revenue". In all these matters he remained responsible to the Select Committee at Fort William and was under its inspection and control. Save and except this supervisory role at the top of the collection-machinery the Company's Government then undertook no other responsibility. It remained satisfied so long its revenue demands were met.

The Company's investments had to be financed out of these revenues. Increased dividends had to be paid to the shareholders. In 1767, again, the Company was asked by Parliament to contribute to the British Exchequer a sum of £ 400,000 annually.<sup>15</sup> Both the Company and the Ministers seemed to look upon India as an El Dorado. All these demands were based on an estimate of the surplus of these territorial revenues of Bengal. The sponge was getting dry. Still attempts continued to be made to squeeze much water out of it. With the passing of time the Company's demand for revenue became greater and greater. Ignorance is generally a breeding ground of suspicion. Naturally, therefore, the Company's Government began to entertain a shrewd suspicion that the zamindars, though "exacting greatest possible revenue from the tenants and vassals", were not paying to the Treasury what they should. The tenants were oppressed and rack-rented, but the Company could not reap much benefit.

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14. Bengal Secret Cons. of 19th November, 1772.

15. In addition, the Company had to maintain an army of 30,000 soldiers and had to pay stipends to the different Indian Chiefs to the extent of £ 1,00,000 per annum.

To check these malpractices the Company's revenue administration had to be spread.

### Appointment of Supervisors in 1769 :

So in 1769, some Covenanted servants of the Company were appointed in the different districts as Supervisors. They were instructed to make a full enquiry, among other things, into the amount and the method of collecting revenue in their respective districts and prepare a rent-roll. These Supervisors of Bengal excepting the one at Dacca were placed under the immediate control of the Resident at the Durbar of Murshidabad, and those of Bihar under the Chief of Patna. An exception was made in the case of Dacca because he happened to be a member of the Bengal Council. He would act according to the directions of Resident, but in case he differed with him, the question would be referred to the Select Committee.

The appointment of these Supervisors was the first significant step adopted by the Company's Government on the way to its undertaking the administrative responsibility of the country. Knowledge must precede action, and it is this knowledge which these Supervisors were asked to supply. To procure knowledge about the abuses of the administration of justice was also included among their duties. While trying to carry out these instructions into effect the Supervisors came to be confronted with the hostility of the zamindars and the kanungoes who possessed among themselves all the revenue-records of the districts. They would not disclose to the Company's servants any of their secrets "from a necessary regard of their own safety." As a result, the Supervisors could not succeed in their allotted task. Soon they lost all interest in it, and they engaged themselves in their private trade.



In 1770, however, some re-arrangement was made at the top of the Company's revenue administration. The power of the Resident at Murshidabad was now curtailed and two Controlling Councils of Revenue were installed—one at Murshidabad for Bengal which consisted of four senior servants including two members of the Supreme Council and the other at Patna for Bihar which consisted of three senior servants including one member of the Supreme Council in response to an order from the Court of Directors. These two Councils were to control the revenue expenditure and see that the two Naib Dewans could not create new posts at their sweet will. The Supervisors in the districts now became immediately responsible to these Controlling Councils. Sometime after, the post of the Resident was abolished and a Controlling Committee of Revenue was established in Calcutta to supervise the Bengal and the Bihar collections. This constituted the first attempt on the part of the Government to centralise the revenue administration in a committee which operated under its immediate supervision.

All these arrangements, however, failed to improve matters much. The Company was interested only in the collection of revenue. Settlements were made annually with the zamindars or, in their absence, with the aumils and the farmers to pay stipulated sums to the Government. These sums were in most cases excessive. Naturally there were many defaulters. On the contrary, the ryots or the actual tillers of the soil upon whom the burden of all revenue-demands ultimately fell were the worst sufferers. Although the zamindars, farmers or aumils were required to grant pottahs to them according to the terms of agreement with the Government, they generally avoided doing so. Many of them, again, having no natural or long-term interest in the lands for which they collected revenues, took recourse to rack-renting the ryots. The latter

were further required to pay a number of illegal exactions in the form of *abwabs*.

The arrangement had soon its effect upon the economy of the country. By 1769-70 a devastating famine broke out in Bengal. This made the home authorities conscious of their responsibilities. In 1772 they decided to undertake the administration of the Dewani directly through the agency of their servants. This visualised "a total change of system".

#### Steps taken in 1772 :

The Court of Directors' despatch communicating the determination of the Company to stand forth as the Dewan reached Bengal on 14th April, 1772 one day before Hastings had taken charge as the Governor of Bengal. The task of implementing the Court's order, therefore, devolved upon him. Hastings proceeded to do this with an energetic drive.

On 11th May, 1772, a notification was issued by the Governor and Council abolishing the posts of Naib Dewan and announcing the Company's determination to manage directly the territorial revenues. The Bengal Council then decided to farm the lands for a period of five years. The Supervisors were henceforward to be designated as Collectors who would be assisted by an Indian Dewan in each district.<sup>16</sup> This change of nomenclature indicated the change of functions of the officers concerned.

Collectors were asked to collect all necessary informations regarding their respective districts and prepare an exact rent-roll of each farm. Regulations were also framed so

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16. Comptrolling Committee of Revenue Proceedings, dated 14th May, 1772.



that the Collectors could not abuse their authority and oppress the ryots. The Collectors were also not permitted to stay at the same station for two years successively.

But to manage land revenue required a detailed knowledge about revenue matters like the valuation of lands and their proprietary rights, etc. It has been already seen that the Company's Government was utterly lacking in it and the Supervisors could not achieve much result towards this end. A Committee of Circuit consisting of the Governor and some other senior servants of the Company was, therefore, now appointed to tour the different districts and submit a report as to how to carry out the Company's new policy with the best possible results. The Committee of Circuit submitted its report on 15th August, 1772, which was accepted by the Council about a week later.

Now in accordance with the suggestions of the said Committee the Controlling Councils of Revenue at Murshidabad and Patna and the Controlling Committee of Revenue at Calcutta were abolished as these bodies stood between the Government on the one hand and the Collectors on the other and thus impeded a free flow of business between the two. The entire revenue administration was now brought under the direct control of the Governor and Council who for this purpose constituted a Board of Revenue. The Khalsa was also transferred from Murshidabad to Calcutta. The business of the Khalsa was more elaborately organised. All these steps would enable the Presidency Government to acquire a thorough knowledge of the revenue matters.

As the Collectors in the districts were assisted by their respective dewans, so the Governor and Council in the

matter of managing the land revenue were assisted by an Indian officer called Roy Royan. Besides superintending the business of the Khalsa he acted as the link between the Council and the dewans in the districts.

Experience had already revealed the shortcomings of the annual settlements, and it appeared that long leases in Burdwan had been working well.<sup>17</sup> So the period of assessment was now extended to five years.<sup>18</sup> The settlements continued to be always made with the highest bidders at public auctions, although, other things being equal, preference was to be given to the zamindars proper. And to protect the interest of the ryots pattahs would be granted to them. It, however, appeared that many adventurers had taken advantage of the situation to enter the field and were trying to make the most of their speculations. From the exorbitancy of the rents settled either with the zamindars proper or the new-comers they generally proved unable to fulfil their engagements. The interests of the ryots also continued to suffer.

#### Arrangement of 1774 :

This arrangement, however, did not last long. In April, 1773, the Court of Directors asked the Governor and Council to recall the Collectors to the Metropolis and devise "some other plan". Evidently the Court was not satisfied with the work of the Collectors. One of the main causes of its dissatisfaction was that since the appointment of the Supervisors in the districts the civil charges had recorded a phenomenal growth but it was not accompanied by a proportionate increase in the amount of collections.

17. Banerjee's Early Revenue History, pp.150—151.

18. Ibid. p.147.



The Governor and Council considered on 23rd November, 1773, the order of the Court of Directors to recall the Collectors and devise an alternative plan. This order also conformed to Hastings's desire. The latter was strongly in favour of centralising all Governmental authority at the Presidency. But simultaneously he did not like that there should be too sudden a break with the past lest the people should become apprehensive. So the new plan now adopted consisted of two parts—one part ('temporary plan') which provided for an intermediate authority between the local agency and the complete centralisation and was for immediate implementation, and another part ('permanent plan') which was based on centralisation and was meant for implementation in future. In fact, the implementation of the first part of the plan would prepare the ground for that of the prospective part <sup>19</sup>.

Under the temporary plan which was meant for immediate execution, the whole Presidency of Bengal except a small area was now divided into six grand divisions—Calcutta, Murshidabad, Dacca, Patna, Burdwan and Dinajpur. Each of these divisions consisted of a number of districts. The posts of Collectors were abolished but they were not recalled to the Metropolis. They were appointed members of the Provincial Councils and remained posted at the headquarters of their respective divisions.

Each provincial council excepting that of Calcutta was to consist of five senior servants of the Company, of whom one was appointed a Chief. It would have on its establishment a Secretary, a Persian Translator, an accountant and three assistants. Moreover, a dewan was provided for each of these Councils to assist it in its work. The

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19. Bengal Revenue Cons. of 23rd November, 1773.

constitution of the Council for the Calcutta division would be somewhat different. It would be a committee consisting of two members of the Council and three other senior servants of the Company. It would have on its establishment a Secretary, a Persian Translator, an accountant and five assistants. Besides, the Roy Royan would act as dewan to this committee in addition to his normal duties. The Provincial Councils would correspond with the Governor and Council in their Revenue Department. The provincial dewans would correspond with the Roy Royan who, in course of discharging his normal duties, acted under the direction of the Governor and Council in their Revenue Department.

Each of the districts which did not constitute the seat of a Provincial Council was placed under the control of an Indian revenue officer called Naib. He would correspond with the Provincial Council through the provincial dewans. The Collectors of the different districts were asked to hand over their charge to these Naibs before they started for the headquarters of the Provincial Councils to join their new assignments. A half-way house was thus sought to be built up. The English officers were mostly withdrawn from the districts but they were not brought to the Metropolis. They were for the time being kept at the headquarters of the Provincial Councils.

In this connection it should be pointed out here that this change effected in 1774 affected only the revenue machinery. The quinquennial settlement itself remained unchanged.

This plan was in work for barely six months when the new Regime under the Regulating Act was inaugurated in Bengal. The new Government was installed in power on



20th October, 1774, and next day the Governor-General and Council met in the Revenue Department for the first time. The Governor-General explained to the new members of the Council the existing system of collecting land revenue and suggested a continuation of the same, at least for the present, in view of the fact that the collection-season was impending and any disturbance with the existing arrangement would impede the collection. The new members became agreeable to the suggestion for the time being because, in addition to what the Governor-General had said, they wanted to see for themselves how the system actually worked. This, however, did not preclude them from making such future alterations as would seem necessary on "some mature deliberation".

The temporary plan thus continued to work. But a post of the Superintendent of the Khalsa Records was now newly created, and some of the functions which were hitherto being discharged by the Roy Royan were transferred to the incumbent of this new post. His task, among other things, was to translate the petitions made to the Governor-General and Council and submit them with his notes for their consideration. If directed by the Governor-General and Council, he was also to make inquiries into the cases referred to them by the Provincial Councils.

The arrangement made in 1772 for the collection of revenue was for five years only. It was to expire in 1777 when a new arrangement would have to be made. So, as the period of five years came towards a close, the shape of things to come engaged the close attention of the members of the Government. As usual, the Government became divided on the issue. Hastings in collaboration with Barwell submitted one plan, and Francis another.

By this time it had become clear that the quinquennial settlement had ended in a failure, and at every successive year a greater and greater deficit in remissions and irrecoverable balances was occurring.<sup>20</sup> So the general opinion among the members of the Council had now swung in favour of the zamindars. Of them the opinion of Francis was more pronounced. True to his intellectual predilections he had all along looked upon the zamindars as the proprietors of the soil and land revenue as a tribute payable from them to the Government which had no right "to ingross the entire produce as landlord". Hastings was not a theoretician like Francis. He did not, therefore, think it necessary to state explicitly who were the owners of the soil. But he agreed with Francis that in making revenue settlements preference should be given to the zamindars, and those zamindars who had already been displaced as a result of the previous settlements should be re-instated as far as possible. They further agreed that the terms of settlement should be long enough to give a sense of security to the zamindars and to induce them to take intimate interest in their lands.

But Hastings and Francis came to differ on the length of the terms of the settlement. According to the former, lands should be let for one or two lives at fixed rents. The rate of the rents would be fixed at the mean of what had been collected during the last three years after deducting an allowance of 15 p. c. for profits and charges of collection. Any defalcation of rent would be made good by the sale of an equivalent portion of the zamindari. Francis, on the other hand, contended that rents should be fixed once for all, and defalcations would have to be met, as in Hastings's plan, by a sale of proportionate land. He, however, wished that the amount of revenue to be collected should be in accordance with the actual needs of the Government and deprecated an

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20. Sixth Report from Parliamentary Select Committee, 1782, p. 35.



assessment which would yield more than safe and moderate surplus to cover emergencies.<sup>21</sup>

While the debate was thus going on, Hastings took steps to collect requisite information to enable the Government to make the new settlement. On the eve of the arrangement of 1772, as we know, a Committee of Circuit was appointed to tour the districts and collect the necessary information. For the new arrangement to be made by 1777 was not possible without the collection of additional information. So, on 1st November, 1776, the Governor-General proposed that an office or commission should be established under his sole charge for undertaking tours throughout Bengal for the purpose. This office would be temporary in nature and would be constituted of one or two Covenanted servants of the Company to be assisted by an Indian dewan and some other Indian revenue officers called amins. Against the protests of Francis and Clavering, the Governor-General had his proposal passed with the help of his casting vote. At first Anderson and Bogle were only appointed members of the Commission. Subsequently Croftes, the Accountant General, was added. All these three persons had established reputation as capable servants of the Company. Gānga Govind Singh was appointed dewan to his Commission.

The Commission presented its report to the Governor-General and Council in March, 1778. The report was ably prepared. It was a veritable mine of information and provided a sound basis for building the subsequent revenue administration of a more lasting character.

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21. See Firminger's Historical Introduction, chap. XV—Hastings vs. Francis.

### Arrangement of 1781 :

The scheme of Provincial Councils, as has been already seen, was far from transitional in character, and when this scheme was adopted, a 'permanent plan' of revenue administration was promised in future. In the meantime nothing occurred to reverse this decision. There were factional and ideological divisions inside the Provincial Councils. Acrimonious debates sometimes characterised the proceedings of the Councils over trifling procedural matters. Charges of corruption and oppression were brought against the district naibs. But owing to these reasons the scheme of Provincial Councils was not abandoned. The Provincial Councils could not improve the collection of revenues much. The same old monotonous tale of large deficits continued to be repeated. The situation was rendered all the more unenviable due to the growing interference of the Supreme Court with the revenue administration of the Company.

The quinquennial settlement expired in 1777. The Court of Directors accepted neither of the two plans—one submitted by Hastings and Barwell and the other by Francis. Instead some stop-gap arrangement for the purpose was made in 1778 and renewed in 1779 and 1780 without interfering in any way with the revenue administration. Lands were lent for one year "on the most advantageous terms" without public auction.<sup>22</sup> Then, in 1781, the Company's Government proceeded to introduce the promised 'permanent plan'. In this year the British Parliament also had passed an Act which placed the revenue-administration of Bengal outside the purview of the jurisdiction of the Supreme Court and thus removed a great difficulty in the way of the smooth working of the Company's revenue machinery.

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22. See App. II to the Sixth Report from Parliamentary Select Committee, 1782.



In 1773 the Court of Directors ordered the withdrawal of the Collectors to the Metropolitan town. That meant that the district collections would have to be left to the Indian officers. Under the 'temporary plan' the last task was accomplished, but the Court's order recalling the English officers of the districts was complied with only in a half way. The process would be complete under the 'permanent plan' as and when it was enforced. Meanwhile the Amini Commission of 1776-8 had collected a good deal of additional information about the indigenous revenue administration so that for the proper collection of revenue an increasing reliance could now be placed upon an Indian agency. It should not, however, be given a free hand and must work under the centralised English administration at Calcutta.

This was actually done in 1781. The existing district administration was not mostly disturbed. The districts continued to be under the administration of Indian naibs. Only the districts of Bhagalpur, Rangpur and Chitra were placed under the administration of English Collectors on account of geographical and military reasons. Chittagong was never included in the scheme of Provincial Councils and, as before, continued to be administered by the Chief of the factory there. On the other hand, the Provincial Councils, which constituted intermediate agency, were abolished, and the entire management of the revenue was brought down to the Metropolis to be administered there "by a committee of the most able and experienced of the Covenanted servants of the Company under the immediate inspection of and with the opportunity of constant reference for instruction to the Governor-General and Council".<sup>23</sup> Shore, Anderson, Charters and Croftes were appointed members of this new Committee of Revenue, and Ganga Govind Singh was appointed Dewan to assist them. The members of the

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23. Colobrooke's Supplement, vol, III, pp. 213—216.

Committee would get a percentage of commission upon the net collections of revenue as their remuneration, the President's share being greater than those of the ordinary members. In lieu of it they were to take an oath not to receive any illegal gratification from anybody. Thus they would get an incentive to concentrate on the collection of revenue.

Protracted wars with the Marathas and other powers had given rise to the absolute necessity of observing economy in the administrative spheres. A large saving in expenditure was expected to follow from the abolition of the Provincial Councils. It was, however, not the only benefit that would accrue from the scheme. Hastings was also confident that the centralised administration would result in better supervision, and this would augment the collection of revenue.<sup>24</sup>

The office of the Superintendent of the Khalsa Records was now abolished, and his functions were taken over by the Committee of Revenue. The post of Roy Royan was, however, retained and he was asked not to interfere with the work of the Dewan. The Accountant General too continued to function. But the Committee of Revenue had its own accountant to receive all accounts from the districts and deliver them up to the Accountant General. The kanungoes who were dismissed towards the very beginning of the Company's revenue administration were now restored to their office.

This scheme suffered from the defect of over-centralisation. The district experience was no longer available to the members of the Committee of Revenue and everyone from the ryot to the Dewan tried "to conceal and deceive". The

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24. Hastings' letter to Scott dated 28th April, 1781—Gleig, *op. cit.*, vol II, p. 375.



outcome was that within a short time the Committee of Revenue with all the practical experience of its members came to be placed at the mercy of its Dewan who was by nature unscrupulous but was given that assignment even against the express direction of the Court of Directors because he was a favourite of Hastings.

Again, in the actual collection of revenue, as has been pointed out by Shore, it was necessary that immediate attention should be given to all complaints "which are preferred daily without number" and they should be disposed of in a summary fashion. This was not now possible because the control under the scheme was remote. In every district and pargana there were distinct usages, a knowledge of which was also essential for the disposal of such complaints. It would not be possible to acquire that knowledge from Calcutta. These were some of the practical difficulties which were not properly taken into consideration when the scheme of centralisation was formulated or given effect to.

The Committee of Revenue submitted its plan of settlement to the Governor-General and Council on 29th March, 1781. Under this plan it advocated settlement with the zamindars who would collect the revenue. And in making this settlement it wanted to take the help of the Collectors and other officers of the Government. The Committee itself thus tacitly admitted the impracticability of the scheme.

The period after the expiry of the quinquennial settlement followed by annual assessments was essentially a period of preparation. Under the system the figures of collection did not show any sign of improving. The home authorities had not yet been able to make up their mind. They had not accepted the plans of Hastings and Francis.

But they had not yet been able to offer any alternative plan. The policy they followed now was, therefore, one of drift.

By 1780, however, England was full of Francis's adherents. Farrer, Goring, Bristow and Rous were all back. They were giving before the English public a Francisian version of the Indian affairs. In 1780 Philip Francis himself returned to England and had his revenue pamphlets published. This had its effect upon the mind of the British public including that of the Parliamentary luminaries. By this time the treatment meted out to Cheyt Singh by Hastings had led the zamindars of Bihar to raise a banner of revolt. The revolt was crushed, no doubt, but its implications were clear. So when Pitt's India Act was passed in 1784, it advocated a permanent settlement of revenue and expressed an undefined bias in favour of the zamindars. Philip Francis thus stood largely vindicated.<sup>25</sup>

The first elaborate interpretation of the Act was given by the Court of Directors in its General Letter to Bengal dated 12th April, 1786. The task of executing the policy outlined in this letter devolved upon Cornwallis. The vacuum, therefore, continued to persist.

In this vacuum Governor-General Macpherson and his colleague Stuart became engaged in a prolonged debate to ring out a solution of their problem. Both drew upon the language and spirit of the Act. But their viewpoints were so different that they at first reached almost as opposite conclusions as Hastings and Francis had done some years back.

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25. In this diagnosis Francis was much influenced by some of the district officers in 1774. See Rambotham's *Studies in the Land Revenue History of Bengal*. Dow's *History of Indostan* had already in 1770 advocated the plan of a fixed settlement.



The recommendations of Stuart amounted to reverting to the system of 1772. Thus he wanted that a Covenanted servant of the Company should be appointed in every district with full authority to manage its revenues, and that there should be an unification of judicial and revenue administrations in the same hands. Among other things, this would be conducive to efficiency and economy and obviated the clashes between the officers of the revenue and the judicial departments.<sup>26</sup>

In reply to Stuart Macpherson submitted a memorial written by Shore in 1782. It was alleged to be one of the statements obtained by him for his personal use from some of the most experienced servants of the Company. The proposals contained in that memorial had a family resemblance to those of Stuart. He went on contending that he could not recollect any objection against the old system. Some defects might be due to "the personal characters of the individuals employed". But these could no more be urged against the plan itself "than the vices of the priests can be adduced to prove the Christian religion wrong". Anticipating the relevant clause of Pitt's India Act and somewhat continuing the line of argument put forward by Francis, Shore concluded that "this continual variation of system introduces distrust and diffidence of the Government amongst all classes". It also prevented all inclination and improvement and made every man "anxious to gather the profits of his hour, lest a new change should deprive him of them"<sup>27</sup>.

Macpherson did not directly challenge the contentions of Stuart and Shore against the existing system. But he was not favourably disposed towards returning to the old arrangement.

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26. Bengal Rev. Consul. of 10th May, 1785.

27. Bengal Rev. Consul. of 18th May, 1758.

Like Hastings he too argued that it involved the risk of "vesting so unchecked a power generally in the hands of our servants." Particularly he was opposed to introducing innovation in the administrative system and to practising economy at the cost of "ease and convenience to the natives".<sup>28</sup>

### Arrangement of 1785 :

Macpherson, however, proceeded to reverse Hastings's process of centralising the revenue administration.<sup>29</sup> The "series of fiscal divisions" were now reorganised into only thirty-five and afterwards into twenty-three districts. The district collectors were made responsible officers. They would not only collect the revenue but would also make the settlement. So far as these measures went, they amounted to a return to the position of 1772-3.

In 1773 the Court of Directors did not approve the arrangement made in 1772 and ordered the recall of the Collectors. But in its letter to the Bengal Government dated 21st September, 1785, it lent support to this new scheme of decentralisation. In pursuance of the directions contained in that letter the existing Committee of Revenue was reconstituted into the Board of Revenue with a member of the Council as its President. The functions of the newly constituted Board consisted in instructing and controlling the district Collectors and giving sanction to the settlements made by them.

Further, on 19th July, 1786, the post of Chief Sheristadar was created, and Grant was selected for the post. His duty would be to bring the revenue-records from the control

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28. Ibid.

29. Bengal Rev. Consul. of 16th February, 1785.



of the kanungoes to the possession of the government. This would enable the English servants of the Company to acquire an increasing knowledge of the country's revenue-affairs. There is, therefore, no doubt that the creation of this new post was a significant step in the right direction. During Macpherson's administration an attempt was thus made to erect the Company's revenue administration on the basis of "solid knowledge."

The foregoing review shows that in the field of revenue administration the Company's Government was groping in the dark, and it went on making experiment after experiment, no measure having produced the desired result. After the acquisition of the Dewani by the English, their first consideration had been "the raising of as large sums from the country as could be collected", as has been admitted by Richard Becher himself, Resident at the Durbar, in 1769.<sup>30</sup> The outcome was the over-assessment of land-revenue and the accumulation of deficits. And whenever a particular settlement had failed to produce the expected revenue, the Company had tried to find fault with the revenue-machinery. The ignorance of the Company's Covenanted servants about the revenue-matters had further aggravated the situation. But a realisation progressively dawned on them that the policy of 'making hay while the sun shines' did not ultimately pay. It did good neither to the Company nor to the country at large. Thus towards the end of the period under review we see that the Company was trying to do away with the element of speculation that had so long characterised its revenue-policy. Both as regards assessment and collection of land-revenue it had evolved certain broad fixed principles which it was for Cornwallis to apply in practice. The experiments of the last two decades had thus not gone in vain.

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30. Bengal Select Committee Proceedings, dated 8th July, 1769.

## CHAPTER SEVEN

### Concluding Remarks

Conquest often gives new ideas and new impetus to a nation and opens up a new vista before it. The East India Company came to India on commercial pursuits and eventually became the masters of large territories. This no doubt gave immense economic advantages to it and, along with some other factors, paved the way for the onset of the industrial revolution in England. But through the Company India for the first time came into electrifying contact with England, and her national life blossomed forth in many directions in a way the like of which history does not know many.<sup>1</sup>

But the impact of a body, when it impinges upon another, is determined both by its force and duration. The full impact of the English conquest upon the Indian national life could be visible only after English education had been introduced into this country and sufficient time had been allowed to absorb its spirit. It was, however, immediately felt in the administrative sphere because the task of bringing order out of chaos and building up an administrative machinery here could not be made to wait. In Bengal, its premier Presidency, the Company had to willy-nilly apply itself to this task vigorously only after a few years following the acquisition of the Dewani.

Before England had become an exporter of goods in the real sense of the term, she began exporting ideas. It is

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1. It is, however, highly significant that this western impact came to India via Bengal during a highly creative century when great strides were being made all the world over in social, political and economic spheres. The Bengal renaissance thus fits very well into a global spirit of resurgence,



under the aegis of the Company that an attempt was first made to build up an English administration in India. With the participation of the Parliament animated by the current spirit of reform, the process was accelerated. When the Company's rule finally disappeared in 1858, some adjustments were made in the form of the Government but the administration itself remained unchanged in essentials. Because the ideas that were behind this administration were English ideas and not those peculiar to the Company only.

Before the Company's rule was introduced into India, she had a long history rich in cultural traditions. But administratively she had proved to be static and unprogressive. Her different states had so far failed to exhibit any definite trend of administrative development in a particular direction. It is true that some of the Maurya, Gupta and Mughal Emperors built up a strong administrations over a very large part of India. But these administrations were all hinged upon particular persons and so could not be enduring in nature. Like the glow of an evening-sky their lives were extremely short-lived and they practically disappeared with their founders.

The Company, however, introduced into India a written and committee form of Government. This form of Government as has been already pointed out, is a distinct contribution of the English in the art of Indian administration. It was impersonal in character and so its continuity could not be much disturbed due to the coming and going of the individual administrators. The Company's Government, although of a merchant class, was also more enlightend than all the preceding Governments of India. The respect for personal liberty and the equality before law which were two principal ingredients of the English common law came to animate this Government too.

An English administration, however, could not be built up in India and so in Bengal in a day. Its transplantation in a foreign land could not but be slow. The period under review constitutes an important stage in the transition from the indigenous system of Government to the modern English system. The process of this transition was necessarily painful, it being full of the birthpangs of the new order. A series of experiments continued to be made either to retain some of the indigenous institutions after modifying them in the light of the English norms or to introduce some English institutions after adapting them to the new environment. As it was an impersonal and written system, the continuity in the administrative development could be maintained, though it was not the spontaneous growth of the national institutions.

It has been previously seen how the Company, even before it had become a political power, introduced certain English principles of a public nature in its administrative body. The more prominent of these principles were the majority-rule, promotion on the basis of seniority and the subordination of the military to the civil administration. But nonetheless the constitution of the administrative organs of the Company was largely pragmatic and continued to be so even after it had become a political power. It is the Regulating Act which for the first time formulated certain fixed rules for constituting the higher organs of the Company's Government in Bengal. Moreover, it first introduced into the country the independence of the judiciary and judicial control over the executive actions.

There are inadequacies, no doubt, but still it cannot be gainsaid that the Company's own machinery had undergone the necessary transformation during the period under review so that it could cope with the new situation.



An overall picture of the net achievements in the field of administration during the period under review may be summarised thus : (a) Over the home-administration the Parliamentary control had been tightened, and the Company's administrative policy had been largely brought in line with the national policy of England. Attempts were also being now made towards simplifying the mode of transacting business by the Court of Directors.

(a) Fixed rules had been provided for the constitution and functioning of the Supreme Government located in Bengal, and a faltering step had been taken to evolve an administrative unification throughout India which was to be one of the potent causes of giving birth to Indian nationalism. The mode of conducting business by the Bengal Government had also been rendered more satisfactory, and in this matter an uniformity had been sought to be introduced throughout the three Presidencies.

(b) A separate wing of civil service, not over-burdened with commercial duties, had been brought into being. There had also come into existence a core of the service that would refuse to pander to the Company's economic interest only after sacrificing the well-being of the people. Towards the end of the period under review we find that an attempt was being made to reconcile the Company's claims for revenue with those for justice. Some unique measures were also now adopted to purify the Company's service.

(c) The fog about the revenue-matters had been considerably dispelled, and the Company's Government was groping towards a permanent settlement with the zaminders. An increased amount of decentralisation had also been introduced in the Company's revenue-administration which would enable

its English servants to acquire a greater and greater knowledge of the districts.

The administrative system that was thus built up was sustained by a number of communication-lines. Of course, there was no escape from the technological limitation of the time. So there was no quick means of communication. But the Company's Government set up a postal communication system, more or less regular and swift as far as practicable, from the centre to the districts and also from district to district. These communication-lines made possible the proper functioning of a number of administrative units throughout the country and served as so many veins and arteries of the body politic.



## APPENDIX 'A'

A typical specimen of forms in which the Court of Directors communicated to the Ministry while forwarding copies of despatches from Bengal :

The Chairman and the Deputy Chairman of the East India Company present their compliments to Mr. Robinson,  
Sir Stanier Porten,  
with copies of extracts of the Company's advices received from Bengal, which they request Mr. Robinson  
Sir Stanier will present to  
Lord North  
Lord Weymouth.  
East India Company,  
the 15th April, 1779.

## APPENDIX 'B'

*Home Public "A" Consultation 30 Oct. 1776. No. 7.*

The frequent occasion which the Board have had to employ the assistance of Captain Kyd in reference of claims of Rank of the other Military subjects, the diligence which he has exerted on such occasions, the many useful materials of informations for which they have been indebted to his abilities and added to all these motives the want of a methodical Compendious Register and Digests of the different Regulations and establishments of the Army, which now lie scattered in the voluminous heaps of consultations in all the different departments when it is the work of infinite labour to have them ( torn )

( about four lines torn and faded )  
contradiction forms, have suggested to me the expediency and indeed the necessity of the following Plan which I hope will meet the approbation of the Board as it will tend to the dispatch and regularity of business without any increase of trouble which is too often the attendant of multiplied Offices and which in effect will add but little to Captain Kyd's labour though they will give the Board an official right to employ

them instead of those gratuitous and often invidious services which have hitherto been required of him.

Without further Preface I now proceed to the proposed plan which is as follows :—

1st. That a Military Office be constituted in which the Board shall assemble on the first Wednesday in every month and often if occasion shall require for the management and Direction of Military ( torn ).

2nd. That all general orders of whatever nature be recorded in this Department and issue ( torn ) the name of the Governor General in Council.

3rd. That orders which shall have been formed by resolutions taken in the other departments shall be transmitted by the Secretaries of these departments to the Secretary of the Military Department.

4th. That the Secretary of the Department do compile under the authority and for the use of the Board, a Book or Code containing all the general orders which have ever been issued and are still in force, ranged under proper heads respecting the institutions and alterations of the Corps composing the army-establishment of the charges, rules of ( torn ) and all other regulations.

5th. That he form complete lists and returns of the Army—Lists of annual recruits and casualties—annual lists of officers with the dates of their commissions from the year 1764 to this time and to be continued.

6th. That he abstract and record in one view all memorials of officers respecting ranks with the resolutions of the Board in the present and former ( torn ) and proceedings of the different boards of officers and orders of the Court of Directors thereon.

7th. That all returns which shall be laid before the Board, both of this and the other Presidencies by the Commander-in-Chief ( torn ) Plans ( torn ).

Army Act Regulations of expence all alterations in the Establishment of Corps and all applications for rank and decision thereon shall be recorded in this Department.

8th. That all General Orders as they pass shall be recorded under the proper heads in the ( torn ) directed in the fourth article.

9th. That the Town Major be constituted the Secretary to this Department with the following establishment.

Secretaries. 400 rupees per month.

Writers and all other

contingent expenses

200 —do—



# APPENDIX 'C'

Foreign Dept ( Secret ) 1785 Cons. No. 12,22 Nov. 1785.

To

The Hon'ble John Macpherson, Esqr.  
Governor General &-ca. Council,

Hon'ble Sir and Gentlemen,

Your Orders of the 28th September founded on the instructions of the Company for reforming the Expence of the Secretary's Offices in the Public and Secret Departments having reduced the numbers of covenanted servants in the Department under my charge to a Sub Secretary, two Assistants, and two Examiners, I have the honour to lay before you a list of the Gentlemen who belonged to it when the Company's Orders arrived at this Presidency. The list contains also a state of the periods from which they have served.

List of the Covenanted Assistants in the Political Department with their length of service.

Name	Length of Service	year	months	days
1. Jhon Lumsden Sub-Secretary.	1st August, 1778	7	0	29
2. Thomas Phitpol Head Assistant	1st May, 1780	5	3	29
3. George Arbuthnot Assistant	10th Dec, 1783	1	9	19
4. George Taylor Assistant	10th Dec, 1783	1	9	19
				on the Establishment
5. Jhon Fombelle —do—	10th Dec, 1783	1	9	19
6. Jeremiah Sneyde —do—	14th Dec, 1784	—	9	15
7. William Tohmson —do—	14th Dec, 1784	—	9	15
8. Nathan Crow —do—	1st Oct, 1782	3	1	
9. John Wranghan —do—	1st July, 1784	1	1	29
				not on the Establishment
10. John Cotton Registrar	1st December, 1782	2	8	29

11. Henery P. Forster			
Examiner 10th December, 1783	1	9	19
12. George Dowdeswell			
Assistant to the			
late Governor General 3rd. Feb, 1784	1	7	26
13. Charles Woddam			
Assistant to the			
Governor General. 5th April, 1785		5	24
14. Oliver Colt			
Assistant to the			
Hon'ble Chas. Stuart. 5th April, 1785		5	24

I have to observe to the Hon'ble Board, with respect to the Gentlemen who have acted as Register and Examiner, that on the appointment of a separate Secretary to the Charge of the Secret Department no mention was made whether they were or were not to rise in the office as vacancies occurred and according to their respective branches. I request therefore an intimation of the Board's pleasure on this subject.

If they are to rise Mr. John Cotton will become 2nd Assistant, no Establishment having been granted by the late orders for such an office as the office of the Register which he held before the receipt of them. If they are not to rise, the 2nd Assistant will be Mr. George Arbuthnot.

I have also to request an intimation of the Board's pleasure with respect to the allowances that are to be given to the Gentlemen who have served in my Department since the 1st of October, when the late orders of the Company were carried into execution. Their services were indispensibly necessary for preparing the Dispatches that have been sent by the Intelligence, and I was desired to retain them for this purpose.

I cannot close this address without doing myself the pleasure of affording the testimony which I think due to the several Gentlemen who have acted in the secret Department. Their assiduity and attention to their duty have been unremitted and their conduct has furnished an example well worthy of imitation to other Gentlemen in the service of the Company.

I have the honour to be  
Hon'ble Sir and Gentlemen

Your most obedient  
& Humble Servant.  
Sd/-

Secret Department,  
the  
14 November, 1785.



## APPENDIX 'D'

*Foreign Dept ( Secret ) Const. 22 Nov. 1785 No. 13.*

ORDERED that Mr. Thomas Philpot and Mr. George Arburtnot be the first and second Assistants in the Secret Department.

ORDERED that the other Servants of the Company on the Establishment, who are or were when the Company's order of the 1st April arrived Assistants in the Secret Departments and are now entitled by the reduction of the pension allotted to their rank by those orders do continue to serve upon such pension in the Secretary's Office, and that they be called Extra Assistant wherein. It is resolved also that at the end of each year such Gentlemen shall receive a gratuity from Government proportionate to their Industry and determinable by the Board upon an attention from the Secretary of the work which they have done of which an exact amount shall be regularly kept to be laid before the Board.

RESOLVED that the same Regulation do take place with respect to the other Departments of the Service.

ORDERED that a list be prepared and laid before the Board of the writers out of Employ.

ORDERED that Mr. John Cotton do act as Register in the Secret Department on the pension and with the same assurance of gratuity that has been given to the assistants.

RESOLVED that gentlemen on this Establishment who are or were when the late order arrived Assistants to the Governor General and Members of the Board do continue to act as such on the pension and receive the gratuity according to their work.

RESOLVED that the Gentlemen in the Secretary's Office who belong to the service at Fort St. George and Bombay do continue to act and that they received the pension annexed to corresponding ranks on this Establishment.

These Regulations are to take place from the 1st Instant.

ORDERED that the several Gentlemen in the Secret Department who are Extra to the reduced Establishment, be paid for the month of November, so as to

make the amount of their allowances, including the pension, conform to what they received before the 1st October, when the orders of Resolution took effect.

There being a vacancy in the Examiners Department  
ORDERED that.....be appointed thereto.

## APPENDIX 'E'

*Home Public 1783, 23 Sept. No- 15.*

To

The Hon'ble Warren Hastings Esqr,  
Governor General etc. and Member of the  
Supreme Council,

**Fort William.**

Hon'ble Sir and Sirs,

After having held the laborious and honorable appointment of Secretary to this Government, in both its Secret and Public Departments for a period of more than eight years, I am induced to solicit your permission to resign it & return to England.

I hope that my conduct throughout has been such as to merit the honour of your approbation, having ever strove to mark it with the most zealous and assiduous attention to my duty till a very severe and obstinate illness obliged me to make a Sea Voyage for my recovery. After my return I renewed the same unwearied efforts under the inconvenience of a long weakness which ensued and an actual relapse of my complaint last season which continued upon me all the rains. Indeed the apprehension of a second relapse in the present rains and the effect of laborious application to create it, are principal motives for my present determination.

I shall gladly continue to yield my services as long as I remain here and think myself honoured by your employment of them. I therefore, request that I may be allowed to hold my appointment until the period of my departure in the Winterton—as it forms a rule that every officer holding a post of trust under this Government shall give two months previous notice of his intention to resign it, I am led to trouble you with my present address—I have the honour to be with respect,

Hon'ble Sir and Sirs,  
your most obedient  
servant.

**FORT WILLIAM**

the 10th September, 1783.

Signed/J. P. Auriol



# APPENDIX 'F'

Home Public "A" Const. 23 Sept. 1783, No. 16.

Establishments for the Public and Secret Departments after their Separation in 1783 :

## Public Department

1	Secretary—Salary p. m. Rupees and fees the same, as are drawn by the present Secretary.	200	0	0
1	Sub Secretary—Salary	800	0	0
	Assistant viz.			
1	Head Assistant	400	0	0
1	Second ditto	300	0	0
1	Third ditto	250	0	0
1	Fourth ditto	200	0	0
1	Fifth ditto	150	0	0
1	Sixth ditto	100	0	0
2	Examiners, each 300	600	0	0
		<hr/>		
			2,000	0 0
1	Register	...	300	0 0.
4	Europeans (1 @ 350 Rupees per month			
	Monthly (1 @ 300			
	Writers (1 @ 250			
	(1 @ 200		1,100	0 0
	(1 @ 200			
	(1 @ 175			
8	Portuguse (1 @ 150			
	Writers (1 @ 125			
	(4 @ 100 each 400		1,050	0 0
			<hr/>	
	1 Frash	6	Sa Rs.	6,450 0 0
			<hr/>	
	1 Head Duftary	10		
	2 Duftaries (8 & 6)	14		
	1 Jammadar	10		
	6 Peons	30		
	1 Mater	3		
	1 Tilladgar	10		
		<hr/>		

## Secret Department

Secretary	Salary p. m.	Rs. 1,200	
In lieu of Fees	... ..	Rs. 500	
		<hr/>	1,700
1 Sub. Secretary		do	800
Assistants Viz.			
1 Head Assistant		400	
1 Second Assistant		300	
1 Third	do	250	
1 Fourth	do	250	
1 Fifth	do	200	
1 Sixth	do	200	
1 Seventh	do	150	
1 Eighth	do	150	
1 Ninth	do	100	
1 Tenth	do	100	
2 Examiners @ 300		600	
1 Register		300	
		<hr/>	1,400
			<hr/>
			5,500

These to be covenanted servants and chosen entirely by the Secretary.

A Frash, Ielladgur, Duftories, Jemmadar, Peons and Mater as above Sa Rs. 83 p. m.

Company's servants to be employed by the Governor-General and by each member of the Board to make extract and copies for them @ 300 Rs. per month each.

As the business may be heavier at some times than at others which may require the casual employment of monthly writers, each Secretary should be allowed to employ such at his discretion countersigning their Bills for payment upon honour.



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